A RESPONSIVE FACILITIES INVENTORY FOR THE DEPARTMENT OF THE NAVY

RUDOLPH F. D'AMBRA

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by

Rudolph F. D'Ambra
Commander, Civil Engineer Corps
United States Navy

Bachelor of Science
United States Naval Academy 1949

Bachelor of Civil Engineering
Rensselaer Polytechnic Institute 1951

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Thesis directed by
Karl E. Stromsem, Ph.D.
Professor of Public Administration

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PREFACE

A recent three year assignment with the Bureau of Yards and Docks in Washington, D. C. allowed me to witness at close range three significant developments:

1. The introduction of new concepts in planning, programming, and budgeting, and other improved management techniques, by the Secretary of Defense;

2. A major review of the management of the Department of the Navy, undertaken by the Secretary of the Navy to determine how responsive the Navy was to these new concepts;

3. The decision to make major organizational changes in the Navy Department to meet the Defense Secretary's new Management requirements.

One of the areas that received considerable attention in the Navy Department study was facilities management, an area that has been historically of proprietary interest to the Bureau of Yards and Docks. The most significant result of the study, for the Bureau, was the recommendation, subsequently approved by the Secretary of the Navy, that the Bureau be assigned responsibility for the maintenance of the entire shore establishment (not including the Marine Corps), a responsibility then shared by all management bureaus and offices. As never before, the Bureau would need an information system that was in fact, and not just in theory, truly responsive.

During the last year and a half of my tour with the Bureau, I was concerned with the facilities inventory system of the Navy. Close association

with the system helped me make two important observations:

1. The facilities inventory is basic not only to all facilities programs, but to any information system that would have to be developed for the Chief of the Bureau to help him discharge his new responsibilities properly;

2. The existing facilities inventory system was not adequate to serve the purpose.

Personal experience with the Navy's inventory system has made it possible for me to combine what I already know about the system with the excellent suggestions and ideas I was able to gather from numerous personal interviews. I am grateful to the many people in the Bureau of Yards and Docks who generously gave up many of their spare moments to offer me help.

The conclusions and recommendations are not entirely original with me. In fact, one major recommendation, to concentrate the entire inventory effort in the Field Engineering Offices of the Bureau of Yards and Docks, was conceived as a result of a brainstorming session while I was still in the Bureau. But never before has the entire facilities inventory subject been developed in the context presented here. It is hoped that by relating, as intensely as is done in the following chapters, the deficiencies of the present system and the many and sophisticated requirements the system must serve, that greater impetus will be given to the full implementation of the recommendations "toward a more responsive facilities inventory system."

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INTRODUCTION

One of the results produced by the recent review of the management of the Department of the Navy was the revelation that the greatest single impact on the Navy's method for carrying out its fundamental objectives has been the introduction of the Five Year Force Structure and Financial Program. This new programming system is designed to accomplish a single, integrated information system, and to assist top management in the planning, execution, and control of the defense program. "If the Secretary of the Navy is to play his designed part in the system, he must and will become very well informed on all phases of Navy endeavor. He will need an information system that is integrated and automated . . . ."[1]

One of the areas of Navy endeavor on which the Secretary must become well informed is facilities management, the responsibility for which has been assigned to the Chief of the Bureau of Yards and Docks. The several facilities programs that constitute the broad facilities management effort must be so coordinated and integrated that responsive -- that is, timely and accurate -- reports on these programs are available. But this integration of program information will not be possible unless there is an adequate system for designating, identifying, and reporting the facilities that form the basis of the

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[1]"External and Environmental Influences Study," Review of Management of the Department of the Navy, Vol. II, p. 138.

various facilities programs, that is, unless there exists a responsive facilities inventory system.

Mr. David Novick, in a memorandum explaining the new Department of Defense program budgeting system, sets the stage for a new and more important role for any facilities inventory system that the services may employ:

> One of the major problems that still faces the Secretary of Defense in his planning and programming system is the question of the proper distribution of costs of supporting activities. Although such activities are not in themselves out-put oriented, in the same sense as a B-52 squadron, they must have relevant portions of their cost allocated on some appropriate basis to the designated program element. An installation or base, for example, may support two or more force units. More explicit rules must be developed to assure stability in cost distribution methods. Without this stability, comparison from one cost submission to the next cannot be meaningful.[2]

Here we find another role for a responsive facilities inventory system, not only quite remote from an inventory for inventory's sake, but so comprehensive as to demand maximum effort to insure that such a system exists.

The purpose of this study then is to inquire into the degree to which the present facilities inventory system of the Department of the Navy is responsive to the requirements it must serve; and if the present system falls short of meeting the criteria for responsiveness, to recommend some necessary changes in the system's organization and procedures.

There is not much literature on the subject of "facilities inventory" per se. However, the many management publications relating to the theory of information and communication provided a basis on which a satisfactory inventory should be built.

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[2]David Novick, "Program Budgeting: Long Range Planning in the Department of Defense," Memorandum RM-3359-ASDC, November 1962.

Navy Department and Department of Defense instructions, directives, and other publications on the subject of facilities management and facilities inventory were read to ascertain the elements of the existing facilities inventory system. The many requirements the facilities inventory must serve were abstracted from these readings and were grouped together in one cohesive expression. To supplement these readings, as well as to corroborate findings, many personal interviews were held with personnel in the Department of Defense, primarily the Navy Department, who are closely associated with facilities management. Based on the facts gathered certain changes to the present organization and procedures for the existing facilities inventory system are expressed in the form of conclusions and recommendations in the final chapter.

Although the subject of facilities inventory is of equal importance to all the services in the Department of Defense, nevertheless this report is limited to a study of the facilities inventory of the Department of the Navy. The history of the development of the Navy's inventory system in Chapter I is not intended to be comprehensive, but merely serves to put the entire subject matter in perspective, contrasting the means and needs of today with those of yesterday.

One of the results of this study was the discovery of the anomolous situation whereby the Bureau of Yards and Docks has been given de facto responsibility for the accuracy and timeliness of the Navy's facilities inventory without being given control of the resources with which to do the job. After tracing in brief outline, in Chapter I, the rather loose development of the inventory system, this study reveals the fact that the present organization for the inventory of military real property in the Department of the Navy is characterized by three separate channels of responsibility. Each channel is

independent of the others and controls the resources assigned to it. That this separation of responsibility is the cause of the unsatisfactory state of the inventory is shown in Chapter II. Recommendations for improving the inventory system, leading to a more accurate and timely facilities inventory are presented in the final chapter.

CHAPTER I

HISTORICAL DEVELOPMENT OF THE FACILITIES INVENTORY SYSTEM OF THE DEPARTMENT OF THE NAVY

Before World War II

The Navy Department has always had some kind of inventory system. Civil engineers have a habit of keeping a record of what they do, even if only a vest pocket one. During the early days of the Navy's shore establishment when shore stations were few in number, when the facilities that made up these stations were unsophisticated and quite limited in complexity, when the tempo of operations was measured in terms of weeks and months (compared to today's minutes), and when you could number the Navy civil engineers on the fingers of both hands, it was sufficient that the source of facilities inventory data was the vest pockets of these engineers -- and oftentimes only their recollections.

As the responsibilities of the Navy grew over the years the support requirements also grew. Where ever the fleet went, there were shore facilities. The complexities of these requirements led to the creation of the Bureau of Yards and Docks in 1842 whose purpose was:

> ". . . the design and construction of the public works and public utilities of the Navy where ever located and irrespective of the bureau or office which may use or operate them and the appropriation or fund from which their cost may be defrayed . . . . The

Bureau of Yards and Docks supervises the upkeep and operation of power plants at Navy yards and provides from its appropriations for the general station care and maintenance."[1]

It would appear to have been implicit in the job of the civil engineer corps officers assigned to the various shore stations, in the process of carrying out the responsibilities of the newly created Bureau, to maintain some systematic record of the facilities located at those stations, although no formal reporting of those facilities to some central authority for record purposes was required. If the Chief of the Bureau of Yards and Docks, or the Secretary of the Navy, or any higher authority, such as the Congress, desired to know what facilities of certain types existed in the Navy, the requester of the information would have to be satisfied with whatever records happened to be kept at the headquarters level (at the Bureau of Yards and Docks, in Washington). If this source was known to be too uncertain for the purpose intended, then a general call to the various shore activities would have to be made. The individual activities would be asked to submit the information desired hoping in the meanwhile that the request was understood and that enough time was spent on the problem in the field so that one could rely on the accuracy and validity of the inventory information eventually submitted.

For record keeping, such as it was, was not oriented toward easy summation of data. Illustrative of this is the system for maintaining a record card file on the facilities of the New York Navy Yard, as described by Civil Engineers F. R. Harris, U.S.N., and A. L. Parsons, U.S.N., in an article published by the Department of the Navy, Bureau of Yards and Docks, Washington, D. C. The authors reveal that the primary motive for keeping records was to

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[1]Confidential Bulletin No. 13, dated June 1913, Navy Department, Bureau of Yards and Docks, Washington, D. C.

keep abreast of maintenance requirements:

> In carrying out work of a routine nature, experience has shown that it is very difficult, if not well-nigh impossible, to get satisfactory results without some sort of a periodic and semiautomatic examination of structures and equipment. Unless, however, such inspections are embodied in a suitable filing system, which will insure not only that the records are easy of access but that the repairs needed will be made and the defects remedied, the value of the inspection is negligible.

The authors go on to show that their system consisted of record cards, examination cards, daily report cards, and repair cards. One can only imagine the consternation accompanying a request from headquarters for "the total square footage of building floor space, broken down into administration, shops, berthing, and other type facilities." The manner in which the records were kept at the time would not permit ready summarization.

After almost half a century of operating in such a manner, and especially in view of the widespread growth of the naval shore activities, the Secretary of the Navy decided to have accessible to him at his headquarters a compilation of the facilities of the Naval Shore Establishment, their description, and location. He advised the Chief of the Bureau of Yards and Docks, his agent in this matter, to his desires and instructed him to come up with such a "booklet showing plans of navy yards and berthing space for ships."[2]

The Chief of the Bureau of Yards and Docks at the time, Capt. R. C. Hollyday, prepared a pamphlet describing the inventory of facilities using data available at Bureau headquarters. But Capt. Hollyday knew that such an inventory, by remote control, could not truly reflect actual conditions. He

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[2]Secretary of the Navy letter 20857-7, Mat-1-M1, dated November 16, 1916, to Bureau of Yards and Docks.

admitted this in one of his periodic confidential reports to the civil engineer corps officers of the Navy:

> The Bureau has recently distributed the first edition of a pamphlet giving data relating to buildings at the various stations under the Navy Department. This edition must necessarily be more or less inaccurate (underlines added), but a revised edition will be issued as soon as the corrected data can be obtained. To this end, the Bureau desired the public works officers at the various stations to revise and bring up-to-date the matter relating to the station at which they are on duty.[3]

And as if to serve notice that this interest in facilities inventory information was not transitory or limited in scope, the Bulletin continued:

> With a view to having in convenient form all available data concerning lands held for naval uses, the Bureau has requested the preparation of a plan of each tract with notes showing acreage, date of purchase, cost, etc. . . . which will be bound in book form . . . and indexed for convenient reference.[4]

This was the first formal attempt to systematically collect an inventory of the facilities of the Naval Shore Establishment. Capt. Hollyday admitted that his pamphlet on buildings "must necessarily be more or less inaccurate," but evidenced unwarranted optimism when he suggested that all will be well "as soon as the corrected data can be obtained." Listen to what the Secretary of the Navy has to say, fifty years later and after the introduction of much so-called sophisticated methods of inventory control:

> During the past several years, requests from the Executive and Legislative branches of the Government for inventory information have placed demands upon the Department of the Navy inventory of military real property. These demands have increased greatly in the areas of

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[3] Confidential Bulletin No. 11, dated December 1912, Navy Department, Bureau of Yards and Docks, Washington, D. C.

[4] Ibid.

facilities planning, military construction programming, maintenance, housing management, property disposal, and property accounting. It is quite apparent, therefore, that all echelons of management must have real confidence in the data furnished by the inventory if they are to predicate their decisions upon such data. There have been reasons to believe, however, that this desirable situation does not currently exist. (Underlines added.)[5]

In January, 1917, the Bureau of Yards and Docks, apparently satisfied that all corrected data on facilities inventory was in, published the first Data Book, in two volumes, titled "Public Works of the Navy, NAVDOCKS P-164." The book listed a total of 220 activities around the globe, and grouped facilities by type, first listing and describing drydocks, then gasoline and coal storage facilities, followed by floats and barges, and ending with lists of buildings and structures at each activity. There were no grand totals, in capacities or dollar amounts, nor were there summary totals by facility types. The book was designed solely to indicate what was located at each of the 220 activities. For the purposes at that time, this may have been sufficient; and the fact that four years had elapsed from the time the call for corrections to inventory data was issued to the time of publication of the hard cover data book, so that some of the data may have been rendered obsolete, probably did not detract from the responsiveness of the information.

Using this same approach, that is, relying principally on the data available at headquarters level, with occasional requests to the field for submission of corrections, subsequent revised editions of the Public Works Data Book were published in 1921, 1927, 1938, 1945, 1947, and 1951.

From Just Prior World War II to 1953

As time passed the numbers and types of facilities to support the new ships, hardware, and airplanes that were born of advancing technology, began

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[5]Secretary of the Navy Instruction 11011.32 of 3 July 1962, subject: "Department of the Navy Inventory of Military Real Property."

to mushroom. It soon became obvious that headquarters could never hope to keep up with the ever-expanding and fast-changing naval shore establishment throughout the world.

To assist the Bureau in maintaining a file of information that would be helpful in making a compilation of the many and various types of facilities, as well as be meaningful to users, it was decided that all facilities should be recorded in standard fashion, using standard nomenclature, and employing a standard record card. These standards were developed by the Bureau and public works officers at all naval activities were directed to maintain a set of property record cards. As changes were made to the actual facilities, a new property record card was to be made out, and in every case a copy was to be sent to the Bureau.

A typical building card which was labeled NavSandA Form 277, contained some 62 items of information, on both sides of the card. There was also a sizable space (one fourth of the card) set aside for remarks as well as space for a sketch of the building. Some of the items of information required to be recorded were: building number, use of the building, live load, material for roof, walls and foundation, gross area, gross volume, capacity, year built, total cost, annual maintenance, and many others. There were similar cards to be maintained for utilities, telephones, land, structures (other than buildings), and temporary interests. Each of these cards likewise contained many items of information, and each time a change took place that affected any one of the items, the entire card had to be retyped and submitted to Bureau headquarters.

The objective of all this was to maintain at the Washington level, in one central location, a property record card for every real property facility in the naval shore establishment, each card to contain pertinent, and indeed

valuable, information relative to the facility. From all over the world cards poured into the Bureau of Yards and Docks, over two hundred thousand of them, which were filed away in a very large room set aside for them in the Bureau headquarters building. As change cards were received, these were substituted for the replaced card. Theoretically, there existed in the Bureau a complete record of the entire physical plant of the shore establishment.

Disregarding, for the moment, the question of the accuracy of the cards themselves and the question of the completeness of the file at any one time (questions, we shall see later, to which we must address ourselves in all seriousness and in depth), let us examine what this mamouth undertaking made possible in the way of providing responsive inventory information.

First of all, at the field level, that is at the local activity, this system of property record cards, although completely manual, proved to be a valuable source of reference data. Engineering personnel particularly made excellent use of the local "deck of cards" as they were called. Indeed, it was the engineering personnel at the local activities who prompted the adoption of many of the items of information on the cards. So at this level the property record cards served a most useful purpose. It was most convenient to the draftsman, or engineer, or maintenance man, or contract administrator, to have available to him a source of reference data on buildings, structures, utilities, and other facilities that in many ways made his job easier.

However, this degree of utility could not be realized from the mountain of cards that accumulated in the Washington headquarters of the Bureau of Yards and Docks. The cards were assembled, filed, and properly indexed, but not without considerable effort. Occasionally a Bureau project manager, or one of the Bureau's planners, or some other individual with a need or desire to know,

would gain a benefit by being able to reference individual cards for information on facilities in which they were interested. But that was the sum total of the service that this huge file of cards could be expected to render.

After World War II, when a great many of the Navy's installations were being closed, and when Congress, before granting appropriations for new construction, wanted to be assured that existing facilities were being used at maximum efficiency, the file of property record cards in the Bureau was put to the test. A typical request to the Chief of the Bureau of Yards and Docks, as custodian of the file of inventory information, might ask "what is the total barracks capacity of the Navy's shore establishment?" When it was learned that in order to find the answer to this seemingly innocuous question there would be required several weeks of hard labor searching through the file, it was decided that the easier course of action would be to issue a call to all activities asking them to submit the required information. And so it was with all requests for inventory information of a summary nature; the central file of property record cards could not respond in a timely fashion. The system was not responsive.

Other management bureaus, realizing that this central file could not be depended upon to give them the information they needed in the necessary format, began to develop their own real property inventory reporting systems, in each case slanting the reporting requirements (involving the description of facilities) to fit their own needs. The property record card system continued in force, and also served its purpose at the local level. But with each lack of response at the Washington level, it was not long before the mountain of inventory data in the Bureau lost its appeal and its usefulness. In fact, after a while, very few Navy personnel in Washington were aware that

this central file of cards existed in the Bureau, and those who did know didn't bother with it because they were convinced that they either wouldn't get the information on time, or that whatever information the central file did offer up would not be reliable.

1953 - Present

With the increase of tempo of operations it became evident that something had to be done to more clearly identify the facilities of the Navy, and some method had to be devised to provide accurate facilities inventory information on a timely basis. The decision of the Secretary of Defense, early in 1953, to submit to the Congress a facilities inventory based on nomenclature common the the three services was an important development that led the Bureau of Yards and Docks to automation, and eventually to a system of facilities inventory reporting that was to be, so it was believed, the ultimate in responsiveness.

The decision of the Secretary of Defense to report inventory information to the Congress on a unified basis was expressed in his instruction of 31 March 1954 in which he directed the military secretaries to maintain an inventory of real property in an office of record at their Washington, D. C. headquarters. The directive further specified that the inventory:

a. is to be a basic source of information for reports of status, cost, capacity, condition, present use, and maintenance and management of the real property of the military departments.

b. is to be a reference and a source of current comparable information pertaining to such real property for use in developing and effectuating Department of Defense policies, plans and programs.[6]

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[6]Secretary of Defense Instruction 4165.14 of 31 March 1954, subject: "Inventory of Military Real Property."

Although this directive of 1954 gave new respectability to the facilities inventory, and could be credited with hastening the advance toward automating the system, the need to automate was recognized earlier by a few personnel in the Bureau of Yards and Docks who quickly saw the possibilities of automatic data processing. The interest in and awareness of automatic data processing developed early in 1953 and was due

> . . . principally to the increasing volume of service, the enormous amount of paper work, management reporting requirements on timeliness and accuracy, and a variety of other factors. One conclusion was that the standard punch card process was too slow. The conventional equipment and systems existing in 1953 were becoming increasingly more expensive to administer, required the maintenance of a great many special purpose files at great cost in space and personnel, and the preparation of specific management reports and accounting records was becoming more nearly impossible within reasonable time limits as the mass of such data increased. To impose an additional workload such as the facilities inventory dictated the conversion to automatic data processing hardware.[7]

One benefit, aside from all others, that resulted from the decision to automate the facilities inventory system was the requirement to take a microscopic look at each and every detail of the existing inventory system. Parenthetically, this is true of any system that is automated; one is forced to look at the details of that system closely and in depth, to answer not only the "what" but the "why," and to determine how the processes can be better systematized so that optimum use of the machines may be made. Consequently, this forced scrutiny of the facilities inventory system resulted in many improvements, the most notable of which was the systematic categorizing of military facilities. The classification of facilities was established by the Secretary of Defense and published for implementation by the three service secretaries.

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[7]Position Paper on Responsibilities of Budocks as Custodian of Class I and II Property; report of Budocks Task Group dated 18 March 1963, p. 20. Task Group established by Deputy Chief Budocks letter dated 25 Feb. 1963.

Soon after receipt of the 31 March 1954 instruction issued by the Secretary of Defense, the Secretary of the Navy alerted all management bureaus to its effects in an implementation instruction of his own. He advised:

> The Department of Defense requirements have now been established, and changes in the existing practices and property records of the Department of the Navy are required. Accordingly, revised instructions and forms are being developed and will be made available as provided for herein. Subsequent to initial promulgation, these revised forms and appropriate instructions . . . will serve as the basis for the continuing maintenance of records of classes I and II property.[8]

In this same instruction the Chief of the Bureau of Yards and Docks was given primary responsibility for the establishment and maintenance of the Department of the Navy central inventory of real property, the reconciliation of manual and mechanized records, and the timely preparation of inventory summaries. Implicit in these responsibilities was the job of revising the property record cards and preparing detailed instructions for their preparation by field activities. There was an additional requirement that the initial inventory summary report "be published and distributed by the Bureau of Yards and Docks by 15 November,"[9] only eight months away.

Personnel in the Bureau of Yards and Docks set out immediately to accomplish these objectives in order to meet this deadline. Cards were redesigned, instructions were prepared, and a type 705 electronic computer was installed at the Construction Battalion Center, Port Hueneme, California

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[8] Secretary of the Navy Instruction 11011.3 of 25 May 1954; subject: "Plant Property Classes I and II; Physical Inventory of and Preparation of Records and Reports For."

[9] Ibid.

where a battery of people was hired to translate the data on inventory cards into a machine language central inventory file. Indoctrination teams were dispatched all over the glove, wherever there were property record cards and the elements and virtues of the new system were explained. The principal virtue extolled was that once the new system got underway, all that would be needed to answer interim requests for information on any matter concerning facilities (assuming, of course, that the information had been previously recorded and entered into the machine) would be merely to press a button and within a matter of a few hours there would be printed the information desired, in the format desired.

The system was installed; the individual activities prepared and submitted property record cards to the data processing center at Port Hueneme, California, and to the Bureau where the manual file continued to be maintained; and commencing with the 15 November 1954 publication, an annual summary of facilities inventory data was prepared and published.

This new system, employing the latest in automatic data processing equipment, held out the promise of a completely accurate and timely inventory of facilities inventory to which all interested parties would turn with complete confidence in its reliability and which they would use in their daily tasks. This was a means not only of maintaining a central inventory file, but for (1) producing an abridged inventory publication in summary form for use by various levels of management; (2) preparing annual statistical tables covering real property; (3) publishing a detailed inventory book for use by individual naval activities, Budocks Field Engineering Offices, and management bureaus; (4) preparing quarterly, semiannual, and annual recurring reports as required by Budocks; and (5) preparing special nonrecurring reports as required.

Furthermore, the system was designed to make a significant contribution to planning and programming, budgeting, accounting, record keeping, and reporting in the areas of inventory, construction, and maintenance of real property.

However, the execution of the plan did not meet expectations. For various reasons the results of the new, automated, sophisticated inventory reporting system met the same fate that the older manual system suffered -- gradual atrophy through nonuse. Why should this be so when such high hopes had been raised at the inauguration of the system? So much more information was going to be made available so much faster in so many different ways so that so many more things could be done easier and quicker! What was the basis on which the Secretary of the Navy, seven years after the first trumpet calls heralded utopia, concluded that while ". . . all echelons of management must have real confidence in the data furnished by the inventory if they are to predicate their decisions upon such data . . . there are reasons to believe that this desirable situation does not currently exist."[10] (Underlines added.) The Secretary apparently was aware of the fact that the inventory was lacking because on 28 February 1961, in a memorandum to the Chief of the Navy Management Office, he requested that office to conduct a study and prepare a report for him on the status of the Navy Real Property Inventory. The Secretary's awareness of the extent to which the formally established inventory had fallen into disuse and of the degree to which the formal, authorized system was being ignored in favor of multiple, nonuniform, separate, unintegrated, informal systems, to the detriment of the best interests of the several facilities programs of the Navy Department, are reflected in the guidance he gave the Navy Management Office:

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[10]Secretary of the Navy Instruction 11011.32 of 3 July 1962, op. cit.

> The report should include, but not be limited to, an analysis of and appropriate recommendations for required actions on the following points:
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> a. extent to which the management needs for inventory information are being met;
>
> b. use being made of inventory information;
>
> c. completeness, accuracy, timeliness, and value of the reports prepared from the inventory;
>
> d. extent to which other sources of information are being used in lieu of the inventory and reasons for substitution;
>
> e. sources and procedures being used to maintain and update the inventory.[11]

That the office of the Secretary still appreciated the importance of a responsive, accurate facilities inventory evidenced in the introductory remarks in the Secretary's memorandum to the Chief of the Navy Management Office:

> One of the most important elements of effective facilities management is complete, accurate, usable and timely information on the real property holdings of the Navy to assist facility managers and planners at all levels in their decisions. I am, therefore, interested in obtaining an evaluation of the present status of the Navy Real Property Inventory as the primary source of such information.[12]

The results of the Navy Management Office study made it possible for the Secretary to draw the conclusion that the desirable situation, where all levels of management were confidently using the facilities inventory, did not exist.

SUMMARY

The Navy Department has always had some type of facilities inventory. In the beginning, these were merely "vest-pocket" records. As the complexity

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[11] Department of the Navy, Office of the Secretary Memorandum to Chief, Navy Management Office dated 28 February 1961; subject; Navy Real Property Inventory.

[12] Ibid.

of shore facilities grew with the increasing complexity of Naval warfare, the need for a more responsive facilities inventory system became more evident. Lately, with the introduction by the Secretary of Defense of the new programming, budgeting, and appraisal system, the need for a fully responsive inventory system has become paramount. An examination of the present inventory system in the Department of the Navy has revealed that the system, as it is now constructed, cannot meet the requirements of the new programming concepts.

CHAPTER II

THE EXISTING INVENTORY SYSTEM

DESCRIPTION AND ANALYSIS

The system for reporting real property inventory in the Department of the Navy will be analyzed from two points of view: (1) the organizational relationships involved, and (2) procedures. The analysis will, in turn, be oriented in two directions: (1) what constitutes the organizational relationships and procedures, and (2) what are their deficiencies.

Description

Organizational Relationships

On 3 July, 1962, the Secretary of the Navy issued an instruction directed to the chiefs of all the bureaus and offices of the Navy Department, "to establish the objective and to clarify responsibilities within the Department of the Navy for the Inventory of military real property."[1]

The Assistant Secretary of the Navy was assigned responsibility for the total management of the program. As for the actual execution of the program, delegations of responsibility were further made to the Chief, Bureau of Yards and Docks for the technical direction of the program and for coordination, promulgation, and maintenance of policy and procedures necessary for complete

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[1]Secretary of the Navy Instruction 11011.32 of 3 July 1962, op. cit.

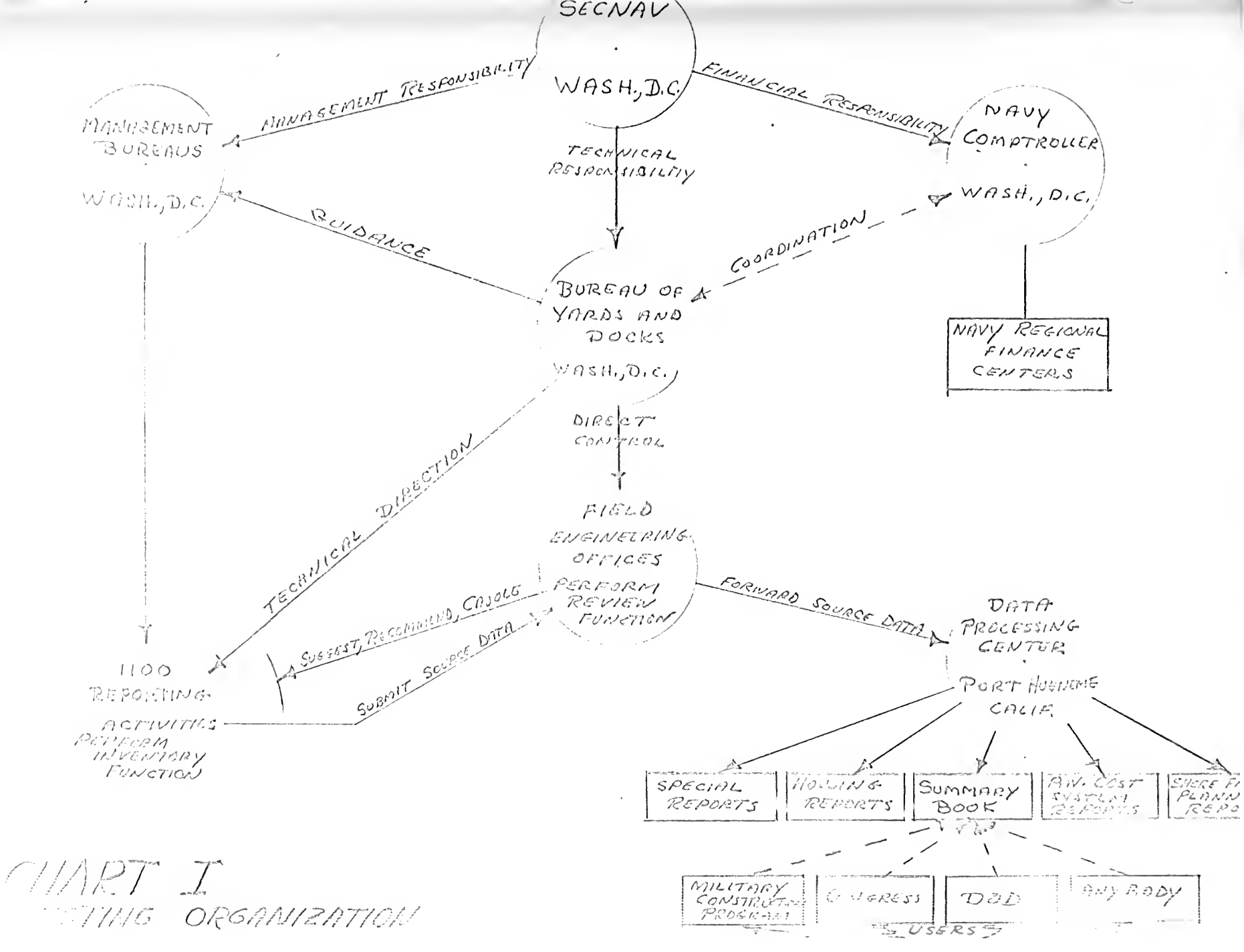

CHART I

REPORTING ORGANIZATION

implementation; to the comptroller of the Navy, for financial policy and for development of accounting systems, financial procedures and reports; and to the commandant of the Marine Corps and the chiefs of the bureaus and offices, within their respective management areas, for appropriate coordination, installation, and maintenance of the real property inventory program as prescribed.

Thus there were formed three channels of responsibility for the accomplishment of the real property inventory. The Chief of the Bureau of Yards and Docks is looked to for technical direction, that is for guidance in development of procedures and interpretation of instructions and codes; the Navy Comptroller advises on and approves accounting procedures; and the Chief of each management bureau is required to install and maintain the inventory system at the various activities under his management control.

Before discussing the merits of this three-way split of responsibilities, a further breakdown of the functional effort required of each responsible agent in effecting a real property inventory will be made. Chart I depicts these separate lines of authority.

Management Bureaus

There are approximately 2400 activities that make up the shore establishment of the Department of the Navy. However, only 1100 of these activities have associated with them class I and class II facilities. When one of these latter type activities is established it is assigned to a management bureau for operations and maintenance support. The mission of the activity having been stated by the Secretary of the Navy, the responsible management bureau then lists all the tasks and functions, within the scope of the mission assigned, that the activity is expected to perform. The management bureau must

provide the necessary resources -- personnel ceiling and funds -- to carry out the tasks assigned. Because the Secretary of the Navy has directed all management bureaus to install and maintain the real property inventory program at activities under their cognizance, the inventory function is one of the local programs that must compete with all the other programs at the activity for resources, in terms of dollars and people, made available to the activity by the management bureau. Aside from being able to issue directives of a technical nature to the commanding officer of an activity, the Chief of the Bureau of Yards and Docks cannot otherwise interfere with the commanding officer's distribution of funds and personnel assigned him.[2]

The extent of the Management bureau's participation in the inventory program, then, consists in assigning the task to activities under its management control, providing resources in terms of personnel and funds, and occasionally checking up on the commanding officer to insure that the task is accomplished.

Bureau of Yards and Docks

The Chief of the Bureau of Yards and Docks has the most important role to play in the inventory program. Having been given the responsibility for technical direction of the program and for coordination, promulgation, and maintenance of policy, he has been placed in the position of deciding what needs to be done, how it should be done, and who should do it. The Chief of the Bureau of Yards and Docks, as a means of providing the necessary technical guidance to all components involved in the maintenance of the inventory, has

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[2]Department of the Navy, General Order No. 19.

prepared and issued a manual for the inventory of military real property.[3] The manual explains and illustrates the major functions of the reporting activities (field agents of the management bureaus), of the Field Engineering Offices (field agents of the Bureau of Yards and Docks), and of the fiscal officers (field agents of the Navy Comptroller).

The Bureau discharges its responsibility for inventory maintenance primarily through its Field Engineering Offices of which there are fifteen, located in each of the fifteen naval districts into which the Navy shore establishment is divided. Within the confines of the Naval District over which he has cognizance, and in his relations with the commanding officer of the activities, he is looked upon as technical advisor for the program, but because of the command relationships that exists between the commanding officer and the management bureau, the Field Engineering Officer has no supervisory authority over the commanding officer in the inventory function. His role is that of performing after-the-fact review of action taken and of advising the commanding officer of matters that need correction or further attention.[4]

The Chief of the Bureau of Yards and Docks has also been assigned the task of preparing all facilities inventory reports that are required, or that may be required in the future. To accomplish this, property record cards were designed to contain as much information as possible, keeping in mind their anticipated use in present and future reporting summaries.

The feature that provides the Bureau of Yards and Docks with wide flexibility in the preparation of summary reports, aside from designing the

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[3]"Manual For Inventory of Military Real Property," NAVDOCKS P-78, dated August 1962.

[4]Ibid.

source data property record cards to include appropriate information, is the use of electronic data processing equipment. As was shown in Chapter I, when the Secretary of Defense directed the Navy Department to report to him real property inventory information in a specific format of precise category codes, the necessity for adopting automatic data processing means for handling and manipulating the inventory data was evident. The Construction Battalion Center at Port Hueneme, California was chosen as the location where the data processing equipment would be installed. A type 705 electronic data processing machine was put in operation in 1955.

As can be seen from an investigation of chart I, many reports are made from the central file at Port Hueneme, some of which are indicated, such as housing reports, Public Works cost system reports, Shore Facilities Planning reports, etc. The most important report of inventory information that is produced by the system is the publication entitled "The Real Property Inventory of the Navy," NAVDOCKS P-77. This publication satisfies the requirement of the Secretary of Defense established in his directive of 31 March 1954 in which he directed the military secretaries to maintain an inventory of real property in an office of record at their Washington, D. C. headquarters and to submit a report of this inventory each year, as of 30 June. It is this "summary book" that is looked to not only by the Secretary of Defense but by the Congress, the Secretary of the Navy, and anyone else who is interested in knowing what the official inventory of Navy real property is. This "summary book," as well as any other report of inventory data is prepared and transmitted over the signature of the Chief of the Bureau of Yards and Docks. From this fact, the inventory of Navy real property has come to be known as the "Budocks" inventory. As a further extension of this logic, the assignment to

the Bureau of Yards and Docks of responsibility for any deficiency in the inventory report is frequently made. The responsibility for, and participation in, the inventory process by the other management bureaus, activities, and Navcompt are not readily understood or appreciated by those who use the inventory information. This is because when they need this type of information they go to the Chief of the Bureau of Yards and Docks for it. Not being familiar with the three-way split of responsibility with regard to assembling the inventory data, with the Bureau of Yards and Docks serving only as technical director and as the repository of the complete file of inventory data, since only the name of the Bureau of Yards and Docks is associated with the final product it is easy to understand why users of the data expect the Chief of the Bureau of Yards and Docks to account for discrepencies found in the reports.[5]

Navy Comptroller

The Comptroller of the Navy has been assigned by law the responsibility to maintain the integrity of financial matters within the Navy Department.[6] The Navy Comptroller manual further amplifies the responsibility for the Navy Comptroller in this area.

The Comptroller, through the technical guidance he gives to the approximately 300 fiscal offices established throughout the Navy Shore establishment, exercises control over the financial and accounting systems of the

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[5]Interview with Mr. Norm Barron, Head, Inventory Section, Bureau of Yards and Docks.

[6]Public Law 216, approved 10 August 1949.

Navy. He also has direct command and supervisory authority over 9 Navy Regional Finance Centers located at various points in the Continental United States and overseas. The function of these Navy Regional Finance Centers, with regard to the Real Property Inventory Program, is to accumulate expenditure data on the monthly reconciliation of plant account showing charges for property, real and personal, of the Navy.

The various fiscal offices and Navy regional finance offices are guided in their activities by procedures set forth in the Navy Comptroller Manual. Among these procedures are those pertaining to the inventory of military real property. For the most part, these latter instructions are found in Chapter 6, Volume III of the manual, and determine, together with those instructions issued by the Bureau of Yards and Docks, the relationships that exist between fiscal offices, reporting activities, and the Field Engineering Offices of the Bureau of Yards and Docks.

The matter that concerns the Navy Comptroller the most in this area is the reconciliation of dollar figures between those totals registered on the central file at the Data Processing Center at Port Hueneme, which is under the jurisdiction of the Bureau of Yards and Docks; and the totals registered independently by the Navy Regional Finance Offices, under the jurisdiction of the Navy Comptroller. The latter office has interpreted its jurisdiction with respect to financial accountability in the area of real property inventory to extend to approval of the format of the individual property record cards (the source documents) and to approval of procedures and flow of documents insofar as they pertain to dollar transactions. Thus the Chief of the Bureau of

Yards and Docks is subject to the Navy Comptroller in any effort to change the property record card or to alter the procedures whenever it should be determined by him that such changes have become necessary. The procedures for conducting the Navy real property inventory operations have been developed by the Chief of the Bureau of Yards and Docks within a framework of controls established by the Navy Comptroller.

Summary

The responsibility for the maintainance of the real property inventory in the Department of the Navy has been delegated in three separate channels and these responsibilities are discharged at two levels within each channel.

To the management bureaus, at the Washington level, has been assigned the responsibility for installing and maintaining the system, as prescribed, at all of the activities under their management control. The management bureaus are responsible for issuing necessary implementing instructions, assigning tasks and functions, and providing necessary resources in terms of funds and personnel. The actual work of conducting and maintaining the inventory is accomplished at the field level where the activity commanding officer, in accordance with instructions and within the framework of resources available to him, assigns the task of performing the inventory to a particular department. The activity commanding officer follows the procedures established and coordinated with the field-level agencies of the other two channels to register the inventory of his real property facilities on the central inventory.

To the Bureau of Yards and Docks, at the Washington level, has been assigned the responsibility for establishing procedures, issuing necessary implementing instructions, providing technical guidance, and responding to

all requests for reports on the status of the real property inventory. In order to insure as much uniformity as possible, procedural instructions and resolutions of conflicts in interpretation of procedures or category codes is accomplished at the Washington level. With this exception, the Bureau of Yards and Docks discharges its responsibilities in this area through its Field Engineering Offices located in the fifteen naval districts. Each Field Engineering Officer has established working relations with reporting activities (in the management bureau channel), and with the fiscal offices and Navy Regional Accounts Offices (in the Navy Comptroller channel). In addition, the Bureau of Yards and Docks has established, at the Construction Battalion Center, electronic data processing equipment to serve as the repository of inventory data, and to provide the means for preparing all required reports, as well as such special reports as may be approved. In this connection, the Data Processing Center has established working relations, in accordance with prescribed procedures, with the reporting activities (in the management bureau channel), and with the Field Engineering Offices (in its own, Bureau of Yards and Docks, channel).

The Navy Comptroller's office, in the discharge of its financial responsibility at the Washington level, has reserved for itself the authority to approve procedures and forms prescribed by the Chief of the Bureau of Yards and Docks, and to reflect in the prescribed procedures fiscal controls designed to effect reconciliation of total dollar figures between those amounts shown on the official machine records at the Data Processing Center at Port Hueneme, and those amounts shown on the records of the Navy Regional Finance Offices. By means of comprehensive instructions, contained in the Navy Comptroller Manual, chapter 6, Volume III, the fiscal offices and Navy Regional Finance

Offices are guided in their task of monitoring the financial controls imposed on the system and, in the case of the NRFO's, for actually effecting the reconciliation with the Data Processing Center. The fiscal offices and NRFO's, in the process of executing their tasks, have established working relations with reporting activities (in the management bureau channel), with the Field Engineering Offices and the Data Processing Center (in the Bureau of Yards and Docks channel), and with the Navy Regional Finance Centers (in the Navy Comptroller channel).

The final product, a central inventory file, accurate and responsive to the needs of its users, depends on the successful processing of data according to instructions and directives originating in each channel of responsibility and governing the actions of components, where applicable, in other channels as well as within the originator's channel; on the effectiveness of the relationships established among the components in different channels of responsibility, at both levels of operations; and particularly on the degree to which the commanding officer has given attention to this area by assigning adequate resources and sufficiently high priority, and the degree to which the relationships among components at the activity level have been established, including clear and comprehensive instructions.

Procedures

This section will be devoted to a detailed discussion of the procedures that are in effect for conducting the operations of the system. But first, because an awareness of the nature and scope of the physical facilities plant is necessary to a fuller understanding of the procedures, a brief description of the facilities that make up the shore establishment of the Navy and which therefore are the subject of the inventory system, will be presented.

Nature and Scope of Real Property Facilities

There are approximately 1100 activities in the Department of the Navy that are responsible for reporting real property inventory. These range from such large complexes as the Naval Ordnance Test Station, China Lake, California, with facilities whose original cost amounts to 239 million dollars and which include three runways, 25 barracks, over 2000 housing units, 80 magazines, 12,980 square feet of warehouse space, over 439 miles of roads and walks, 27 miles of railroad, and many other research and development facilities; to small, independent, isolated activities such as the Reserve Training Center, North Hollywood, California, with a physical plant valued at 267 thousand dollars and limited in assortment to one training building and two storage buildings.

Some activities, in addition to performing the primary mission assigned to them, serve as hosts to one or more other activities which do not have facilities assigned to them, but which occupy and use the facilities of a host, or reporting, activity on a tenant basis. Keeping track of tenants is a problem, especially when the tenant activities are transient in nature, as in the case of the Naval Air Station, North Island, San Diego. At that activity there are an average of nine different tenant activities occupying facilities at any one time, and during any one year there are an average of three moves of tenants in and out of facilities. This becomes a significant problem where this situation exists, such as at North Island, because one of the reporting requirements established by the Secretary of Defense was that the inventory "is to be a basic source of information for reports of status, cost, capacity, condition, present use . . ." (underlines added).[7] The inventory reported to

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[7] Department of Defense Instruction 4165.14 of 31 March 1954, subject: op. cit.

the Secretary of Defense must show how the facilities are "presently" used.

The 1100 reporting activities are distributed unevenly among the fifteen naval districts. The largest district, the 11th Naval District, has 79 activities with a total plant value (original cost) of 1.4 billion dollars. The 15th Naval District with 11 activities, and valued at (original cost) $85,000, is the smallest. Just as the magnitude of the inventory workload is determined not only by the size of the activity, but by the complexity and assortment of facilities that make up the activity; so too, the workload of the Field Engineering Office depends as much on the distribution of activities within the district, the type of activities, and the distance between reporting activities, as well as on their number. The 9th Naval District, the largest district in the continental United States in terms of geographical area covered, contains reporting activities that are widely dispersed, hundreds of miles distant from one another. The problems of supervision of the program are magnified over those facing the staff of the Field Engineering Officer in the Chesapeak area where the farthest activity is not more than 1½ hours away.

Other variations in workload among districts serve to highlight the fact that there are differences in emphasis on various aspects of the reporting problem that must be recognized. For example, one of the more important inventory reporting tasks of a continuing nature is that of reporting completion of military construction projects so that these new facilities may be reflected on the central inventory file as soon as possible. For the Field Engineering Officer whose area of jurisdiction is the 11th and 12th Naval Districts, this has been a significant workload, requiring the service of two persons full time just to handle the paper work for this aspect of the program. However, the 14th district had a small military construction program, and

consequently little of the attendant procedural problems. As another example, the 8th Naval District with only a moderate military construction program had a considerable real property disposal program which has associated with it certain inventory procedural problems.

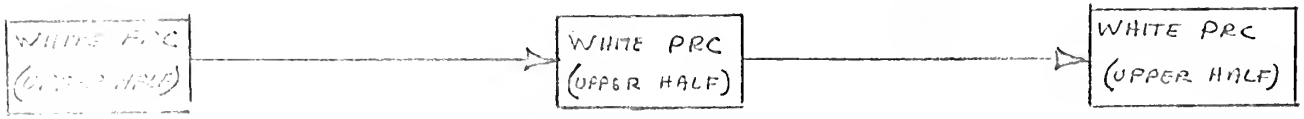
Although the procedures established by the Bureau of Yards and Docks for the reporting of military real property are designed for use by all organizational elements in the shore establishment of the Department of the Navy, the problems attending the carrying out of these procedures can be significantly different from one district to the next.

The Property Record Card

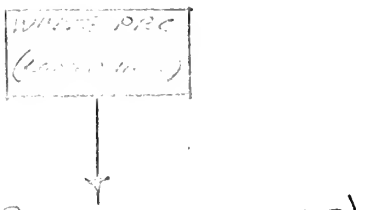
The current procedures for the reporting of real property inventory essentially involve a flow of information and documents from originator to posting and back to the originator, for filing. The accompanying chart, Chart II, depicts this flow in outline form. The following discussion will elaborate on this outline.

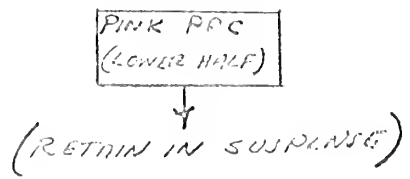
There are four holders of property record cards. The reporting activity has a complete file on all the facilities within the activity or for which it has reporting responsibility. For ready identification, the reporting activity's copy is white. The Field Engineering Office retains for his files a pink copy of all the facilities within its district. The fiscal office maintains a file of blue property record cards on all facilities of reporting activities for which it has fiscal responsibility. (If a reporting activity is large enough it may require a fiscal office to service its needs alone. The usual case is that the fiscal office supports two or more reporting activities. In no case does a fiscal office operate district-wide; in every district there are a number of fiscal offices.) The Data Processing

REPORTING ACTIVITY	FIELD ENGINEERING OFFICE	DATA PROCESSING CENTER PORT HUENEME	FISCAL OFFICE
1. ACTIVITY MAKES CORRECTIONS ON ITS COPY OF PROPERTY RECORD CARD. FORWARDS CARD TO FEO.	2. FEO REVIEWS CORRECTIONS AND ACCEPTS CARD. FORWARDS CORRECTED CARD TO DATA PROCESSING CENTER	3. DATA PROCESSING CENTER UPDATES MACHINE RECORD.	



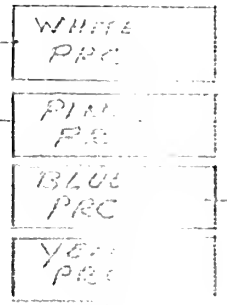
2A. FEO ADVISES FISCAL OFFICE OF THIS TRANSACTION BY FORWARDING TO THAT OFFICE ITS PINK COPY

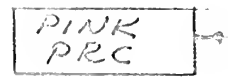


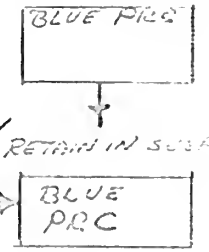


4. CBC PREPARES NEW PRC AND DISTRIBUTES TO ALL CARD HOLDERS.

2B. FISCAL OFFICE PLACE. BLUE CARD IN SUSPENSE. PREPARES TO MAKE UP RECONCILIATION DOCUMEN







5. REPLACE SUSPENSE COPY

5A. REPLACE SUSPENSE COPY.

5C. REPLACE OLD COPY.

5B. REPLACE SUSPENSE COPY

CHART II.

Center, at Port Hueneme, in addition to maintaining the electronic machine record, keeps a separate file of yellow property record cards covering the entire shore establishment.

The only means by which inventory data may be registered on the central records at the Data Processing Center is through the property record card. Furthermore, the Data Processing Center will not make a change to the central record unless it receives the reporting activity's white copy (upper-half) of the property record card.

To accommodate all holders of the inventory file, the property record card is a four-part document in four colors — white, pink, blue, and yellow. Since there is not space enough on one card to contain all desired information on facilities, the system provides for a series of eight forms, each designed to carry information about a certain type or group of facilities. (See Appendix I for copies of cards.) A description of these forms follows:

1. Navcompt Form 262, Temporary Ingrant. This card has been designed for reporting acquired temporary ingrants. It is used to report these six types of temporary acquisitions; ingrants, licenses and permits, joint use agreements, other agreements (with non-defense agencies), public domain, foreign held land.

2. Navcompt Form 263, Activity General Information Card. The purpose of this card is to provide general information, such as; type, status, command, geographical location, function or product, occupancy date, tenant, etc., of a naval activity. This particular card is prepared for and by all naval activities whether reporting real property or not. This is one exception to the procedure whereby information is submitted by other than a reporting activity.

3. Navcompt Form 264, Permanent Land Interest Card. Real estate actions are grouped into four broad categories; permanent acquisitions,

temporary acquisitions, permanent disposals, and temporary disposals. A property record card is prepared for all land interests owned by the Government and located in the United States and its possessions. All interests in land owned by the Federal Government and under the jurisdiction of the Navy Department are considered permanent acquisitions and are reported on Navcompt Form 264. This includes all ineasements which, for reporting purposes, are treated as permanent acquisitions.

4. Navcompt Form 266, Utilities. This property record card is used to report telephone, electric, heat/steam, and water utility systems located on property owned by the Federal Government and under the jurisdiction of the Navy Department.

5. Navcompt Form 267, Structures and Miscellaneous Utilities. Structures and miscellaneous utilities are all improvements such as airfield pavements, streets, walks, piers, etc., which are not buildings (reported on building card Navcompt Form 277) or utility systems (reported on Utility Card Navcompt Form 266). This card is initially prepared by the Field Engineering Office when the structures or miscellaneous utilities are acquired under the Military Construction Program. For other than Military Construction projects this card is prepared by the reporting activity.

6. Navcompt Form 269, Temporary Outgrant. The preparation of this card, like its counterpart Navcompt Form 262, Temporary Ingrant, is reserved to the Field Engineering Office and is not prepared by the reporting activity. A card is prepared for each temporary release of an item of real property (whether owned or leased). A separate card is prepared for each building, structure, utility system, or land interest, for which a temporary release has been given. This form is used to report these seven types of temporary release

transactions; outleases, joint use agreements, other agreements (non-defense agencies), licenses (outgranted), easements (outgranted). Since temporary releases are made only on real property interests which are a matter of record on other property record cards, this card is treated as a supplement to other class I and class II cards.

7. Navcompt Form 277, Buildings. This card is prepared on all buildings owned by the Federal Government and under Navy jurisdiction. When the building is acquired under the Military Construction Program, this card is initially prepared by the Field Engineering Office. For other than Military Construction projects, this card is prepared by the individual reporting activity.

8. Navcompt Form 277A, Family Housing. Family housing, in addition to being reported on form 277 as buildings must also be reported on this form in order to satisfy the reporting requirements of higher authority.

The Category Codes

In addition to selecting the appropriate Navcompt Form, another decision to be made in reporting property is under what classification the particular facility is to be identified. The coding structure, as established by the Secretary of Defense, makes it possible to summarize facilities information on several levels of detail. When the Secretary of Defense promulgated the new category code structure, he directed that "the Facility Classes and Construction Categories . . . shall be applied to planning and programming, budgeting, accounting, and reporting in the areas of construction, inventory, and maintainance . . . of real property."[8]

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[8]Department of Defense Instruction 4165.3 of 11 March 1955, subject: "DOD Facility Classes and Construction Category Codes."

The Chief of the Bureau of Yards and Docks, in transmitting the new facilities coding structure to the field supported the adoption of the new codes in this fashion:

> In matters relating to real property, classes I and II, there have been many directives, procedures and reports established over the years. These directives, procedures and reports have been developed individually to meet situations as they arose and failed to have a common foundation. As a result, there is a lack of uniformity in terminology, accounting classifications, and systems which makes communication difficult and cumbersome.
>
> In order to provide a sound basis for the formulation of policy in a large and complex organization, it is necessary that there be some pyramidal system of collection of information. The problem of size can be mastered through the use of electric accounting machines. The problem of complexity can be alleviated greatly through the use of common nomenclature. A decimal code numbering system of common nomenclature permits a pyramidal consolidation of information for various levels of management.[9]

The category code structure established by the Secretary of Defense identifies military real property (land, buildings, structures, utilities) according to a three-digit system of coding.[10] The first digit identifies the item of real property according to its Facility Class. There are nine facility classes into which the Military's real property must fall, as follows:

CODE	FACILITY CLASS
100	Operational and Training Facilities
200	Maintenance and Production Facilities
300	Research, Development and Test Facilities
400	Supply Facilities
500	Hospital and Medical Facilities
600	Administrative Facilities
700	Housing, Community Facilities
800	Utilities and Ground Improvement
900	Real Estate

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[9]Bureau of Yards and Docks Instruction 11011.15 of 8 December 1955, subject: "Facility Classes and Construction Categories, Transmission of."

[10]Department of Defense Instruction 4165.3, op. cit.

The second digit defines the Category Group to which the item of real property belongs. For example, in the facility class "Operation and Training Facilities, CODE 100," may be found the following breakdowns:

CODE	CATEGORY GROUP
110	Airfield Pavements
120	Liquid Fueling and Dispensing Facilities
etc.	

The third digit defines the Basic Category of the item within the Category Group, such as:

CODE	BASIC CATEGORY
111	Airfield Pavements, Runways
112	Airfield Pavements, Taxiways
113	Airfield Pavements, Aprons
etc.	

The Secretary of Defense, in addition to directing the use of the three-digit system, recognized that a finer identification of facilities might need to be made to accommodate the peculiar operational requirements of the individual services and provided that "a more detailed breakdown of the categories, and an extension of the numerical code by additional digits or other means may be for internal use within the departments."[11]

The Navy Department has added two digits to the basic three-digit code so that every Navy facility is identified by means of a five-digit code. For example, the basic category 111, "Airfield Pavements, runways," is further broken down as follows:

CODE	SPECIFIC NAVY FACILITY
111-10	Runway (Concrete)
111-11	Runway (Bituminous)
111-20	Helicopter Landing Pad (Concrete)
111-21	Helicopter Landing Pad (Bituminous)
etc.	

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[11] Ibid.

The complete listing of five-digit category codes and their short titles is contained in Part 2 of the Manual for inventory of real property entitled "Category Codes For Classifying Real Property of the Navy (NavDocks P-72)."

Procedures at the Activity Level

The commanding officer has available to him for guidance in performing the inventory function a two-part manual for the inventory of military real property. Part I, NavDocks P-78, contains specific instructions for the preparation and distribution of property record cards. Part II, NavDocks P-72, contains the Category Codes for classifying real property of the Navy, as described in the previous section. The principal function of the inventory section at the reporting activity level is to keep track of the present use, condition, occupancy, and a number of other facts relating to all of the facilities at the activity, to make corrections to the property record cards as they occur, and to submit the corrections to the Field Engineering Office for further transmittal to the Data Processing Center in accordance with prescribed procedures.

Within the activity, one department is usually assigned sole responsibility for performing the inventory function and maintaining the inventory file; accompanying this responsibility are the resources necessary to do the work. To assure accuracy and currency of the records (for example that true physical condition is recorded, correct type of construction, in use or not in use, proper category code, etc.) the responsible department establishes coordination with the fiscal office, and other divisions, departments and offices at the activity so that all changes affecting the plant property accounts are promptly reported and recorded in the records.

Local procedures vary in scope and depth, but where the inventory has been conducted successfully, the procedures have these common characteristics:[12]

1. Since the Public Works Department is primarily concerned with facilities, the responsibility for inventory is assigned to this department. Where there is no Public Works Department, the responsibility is assigned to the department performing Public Works type functions.

2. Means are developed for obtaining financial data from the fiscal office to permit prompt submission of corrected property record cards and for effective clearance by the fiscal officer of amounts of work in progress.

3. Steps are taken to insure that the maintenance control section, or office operating in this capacity, furnishes the office responsible for inventory with current data necessary to update the records.

4. The responsible inventory office and the fiscal office coordinate on all job orders (or other records where job orders are not maintained) to assure that changes as a result of work performed is recorded in the records.

5. A tickler system is established to insure that the timing schedule for reporting is followed.

6. The responsible office is staffed with personnel who spend a good deal of time out in the field gathering information.

Procedures at the Field Engineering Office Level

The facilities inventory section is located in the Cadastral and Inventory Facilities Branch of the Real Estate Division in each of the Field

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[12]See questionnaire, Appendix II, question 4.

Engineering Offices.[13] The function of this section, in broad terms, is to perform technical review, analysis, verification and/or correction of records of all class I and class II property under the cognizance of the Field Engineering Office; to schedule real property inventory submissions; to interpret and promulgate directives issued by higher authority; to initiate additional directives for the guidance of activities within the district; to indoctrinate and instruct inventory personnel at field activities; to make timely transfer to the central inventory records of all usably complete facilities acquired under the Military Construction Program, or by other means; to coordinate with Facilities, Financial Management, Real Property Acquisition and Disposal, Housing, and Maintenance divisions of the Field Engineering office on all operations and procedures affecting real property; to reconcile the real property records of the Field Engineering Office with those of the reporting activities and fiscal offices within the district, and with the Data Processing Center files at Port Hueneme.

Where the inventory function has been conducted satisfactorily at this level these common characteristic procedures were found to be in operation:[14]

1. Studies are conducted to improve methods, accuracy, and sufficiency of the reporting function. Directives issued by higher authority are interpreted and clarified to insure uniformity, greater accuracy, and overall conformance with program requirements; implementing directives are developed, prepared and issued for guidance of all reporting activities within the district in the performance of the inventory function.

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[13]Bureau of Yards and Docks Notice 5450 of 9 April 1962, subject: "Organization and Functions of the Assistant DPNO for Planning and Real Estate, R-100."

[14]Bureau of Yards and Docks Instruction 12512.16, dated 6 Dec. 1962, subject: "Facility Inventory Position; titles and guideline position descriptions for."

2. All real property record cards submitted to the Field Engineering Office are given technical review and analysis before they are processed into the system to insure their completeness, accuracy, timeliness, and conformance with current directives.

3. Various reconciliation programs are conducted, including: validating or correcting dollar balances reported by the cognizant Fiscal Office, and the dollar balances reported by the Data Processing Center at Port Hueneme; matching expenditure accounts for maintenance of real property to applicable Navy Category Codes for reported real property; reconciling Bureau of Yards and Docks housing reports to records maintained at the Data Processing Center; reconciling the Master Plans index of structures to the official real property inventory records; reconciling engineering evaluation review data to real property inventory data; matching contract dollar costs to applicable military construction items so as to report true costs of new construction.

4. Guidance is provided to reporting activities within the district on all facets of the program, such as: training of new personnel; on-site inspection of activity procedures and recommending improvements; advising on preparation of station directives and procedures; providing actual assistance in various inventory areas such as clearing work-in-progress accounts, and providing suggestions for selling the overall program to top management at the activity level so that the inventory program may be awarded an appropriate priority.

5. The preparation of preliminary property record cards for acquisitions under the Military Construction Program is initiated by the inventory section so that the submission of the final cards will be expedited upon completion of the construction.

Procedures at the Fiscal Office

The fiscal office is not in the direct flow-stream of the property record card system. Its principal function is two-fold:

1. Upon receipt of copies of corrected property record cards as processed by the Field Engineering Office, the Fiscal Office prepares a NavCompt Form 167, a reconciliation document, and forwards this to the appropriate Navy Regional Finance Office, in accordance with established time schedules.

2. When a reporting activity introduces corrected property record cards into the system, it forwards an advance copy of the transmittal document (NavCompt Form 260), to the Fiscal Office alerting that office that certain cards are being forwarded to the Data Processing Center for updating of the central records. The Fiscal Office then expects to receive copies of the same property record cards from the Field Engineering Office according to an established time schedule. If the cards are not received by the Fiscal Office by a certain date, this is a signal that the flow of documents is falling behind schedule. The Fiscal Office is then responsible to follow up with inquiries to the Field Engineering Office. Thus the Fiscal Office serves as a monitor at one control point in the system.

Procedures at Data Processing Center, Port Hueneme

Upon receipt of property record cards from the Field Engineering Offices, the Data Processing Center at Port Hueneme updates the central file. New, corrected property record cards are machine prepared and distributed to all holders of the cards.

When requested, this division prepares summary reports of inventory

information. These extend from a simple rundown of facilities at a particular location to a brochure of statistical tables that describe the total physical plant of the Navy shore establishment in various ways (e.g., Military Real Property Controlled at Installations, by States; Public Domain Lands Controlled by the Department of the Navy, by States; Military Property Controlled at Installations in Foreign Countries; etc.)[15]

The Center also prepares the report required to be submitted to the Secretary of Defense annually, entitled "The Real Property Inventory of the Navy, NavDocks P-77." This report, referred to as the "Summary Book," is the official inventory of Navy Real Property and is referenced by all Government agencies, including the Congress.

In addition to preparing and publishing these one time and continuing reports, the Data Processing Center performs data processing operations on other facilities programs in which the central inventory file is used as a base of supporting information for these programs, in accordance with the policy of the Chief of the Bureau of Yards and Docks to integrate as far as possible the planning, programming, and budgeting functions in the areas of construction, maintenance, and inventory of real property.

Existing Time Flow of Inventory Transactions

Current instructions require that the reporting activity make only one submission of corrected property record cards per month, and that this submission is to be made no later than the 10th of the month. If a change to facilities takes place on the 11th of the month, significant or not, that transaction must wait for the next month's submission.

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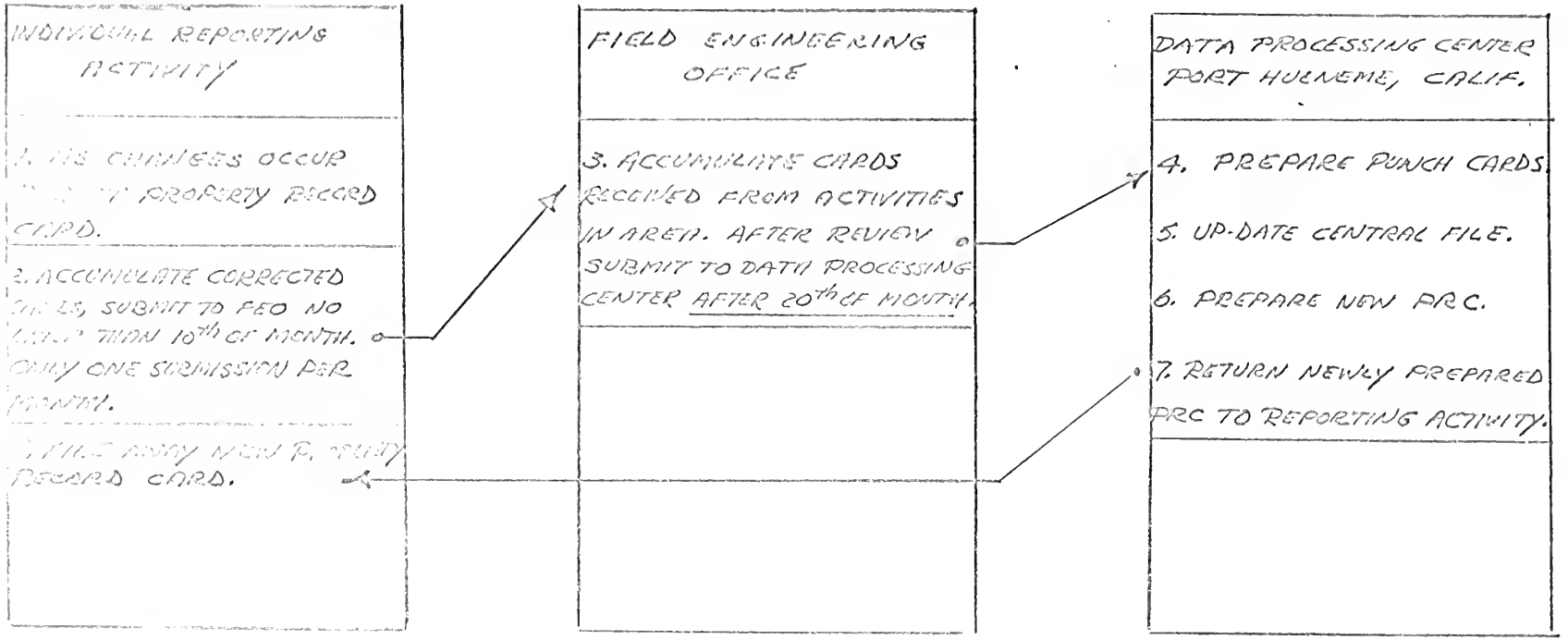
[15]"Brochure of Statistical Tables of Military Real Property Under the Control of the Department of the Navy," dated 30 June 1963, prepared by the Construction Battalion Center, Port Hueneme.

EXISTING TIME FLOW OF INVENTORY TRANSACTIONS



NOTES: 1. SOONEST CHANGE INFO. REACHES CENTRAL FILES IS 15 DAYS AFTER CHANGE OCCURS. IF THIS HAPPENS ON THE 11th OF MONTH TIME DELAY IS 45 DAYS.

2. FIELD ENGINEERING OFFICE HAS NO REPORTING CAPABILITY, EXCEPT CARD BY CARD INFO. AND LAST YEAR'S "BOOK."

CHART III

The Field Engineering Office, after making its technical review, must hold the cards until the 20th of the month and must submit them to the Data Processing Center, Port Hueneme, on that date and not before. The purpose of this is so that the dollar amounts that the Fiscal Offices report to their Navy Regional Finance Offices will agree with the dollar amount forwarded to the Data Processing Center, thus facilitating reconciliation.

The accompanying diagram, Chart III, depicts this time flow and reveals these time parameters under the present system. The soonest a change transaction can be registered on the central files is fifteen days after the change occurs, if the change takes place and is observed on the 10th of any month. If a change to facilities requiring correction to the property record cards should occur on the 11th of any month, the soonest this information can be registered on the central inventory file is 45 days after it happens.

Analysis

Organizational Relationships

The tri-linear organization established for the maintenance of the Navy Department's real property inventory is very cumbersome, time consuming, and uncertain in terms of providing and assuring a continuously accurate and responsive central inventory of facilities.

The Bureau of Yards and Docks, has responsibility for the technical aspects of the program, including policy and procedures. In order to effect at the reporting level — that is, the source data level — procedures which are necessary to do the job correctly and thoroughly, the Bureau must advise each of the management bureaus that certain steps should be taken to improve the situation. The management bureaus, if they agree with the suggestions of

the Bureau of Yards and Docks, may forward these suggestions to the activities under their management control, either in toto or modified to suit their convenience. If the suggestions are forwarded with directions that they be adopted and implemented, the commanding officer will accept these directions as a part of the sum total of all other tasks he has been given, all of which compete for the resources allotted him.

The Bureau of Yards and Docks, in order to find out how effectively its suggestions have been implemented in the field must first request the management bureaus to advise what action they have taken. Reliance must then be placed on the Bureau of Yards and Docks Field Engineering Offices to advise the Bureau how well the individual activities have implemented the suggestions based on the management bureau directives. The field Engineering Offices cannot do this directly, but must request a conference with the commanding officer to review the matter. If the commanding officer does have an organization and procedures for carrying out the inventory program, but these are not at par with what is considered adequate, and if the commanding officer determines that he can allot no more resources to the program, the Field Engineering Officer is powerless to do other than report the matter to the Bureau of Yards and Docks. The Bureau in turn will bring the matter to the attention of the appropriate management bureau, and the cycle begins over again. During each of these phases there is considerable consumption of time. Furthermore, and perhaps of more importance, there is a hesitancy at the local level to reach a confrontation on any issue, especially vis-a-vis the Field Engineering Officer and the local commanding officer.[16]

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[16]See questionnaire, Appendix II, question 6.

A recent instance of the organizational relationships at work, those relationships alluded to in the immediately preceding paragraphs, will serve to illustrate the complexity of this arrangement, the uncertainty of results attained, and the lack of positive, direct control over the working force at the source data level by the Chief of the Bureau of Yards and Docks who, in effect, considers the full weight of responsibility for an accurate inventory to rest on his shoulders.[17]

On 19 December 1962 the Chief of the Bureau of Yards and Docks wrote a memorandum to the Assistant Secretary of the Navy for Installations and Logistics, advising of the steps the Chief had taken to implement certain recommendations made by the Navy Management Office designed to improve the real property inventory system.[18] The Chief took advantage of this opportunity to advise the Secretary that the other bureaus and offices were not doing what they had been directed to do. Specifically, the Secretary was reminded that he had required the chiefs of the management bureaus and offices . . . "to review and approve procedures instituted by individual shore activities to

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[17]In Bureau of Yards and Docks Notice 5050 of 28 August, 1962, subject: "Facilities Inventory Conference; Information Concerning," the Chief of the Bureau of Yards and Docks, in advising the Field Engineering Officers of the desirability of holding a facilities inventory conference said "The Chief of the Bureau of Yards and Docks carries the full burden of responsibility for maintaining a complete and accurate inventory of real property." (Underlines added.) Again, in a personal letter to all Field Engineering Officers dated 22 August 1962, the Assistant Chief for Real Property Management, in requesting them to give their personal attention to the inventory program, referred to the Secretary of the Navy Instruction 11011.32 of 3 July 1962 (see note 1) and said "This instruction gives the Chief of the Bureau of Yards and Docks full responsibility for insuring an accurate Navy real property inventory." (Underlines added.)

[18]Memorandum for Assistant Secretary of the Navy for Installations and Logistics, from the Chief of the Bureau of Yards and Docks, dated 19 December 1962, subject: "Navy Management Office Recommendations on Real Property Inventory Reporting System; report on status of implementation.

ensure:

a. Uniformity as to assignment of responsibilities, and

b. Assignment of qualified personnel."[19]

The Chief of the Bureau of Yards and Docks recognized the limitations imposed on him by the existing organizational arrangement when he proceeded to say:

> Under the present allignment of responsibilities, only after the various bureaus and offices have taken appropriate and effective action in this regard can there be reason to believe that the inventory of real property will be as accurate as it should be.[20]

Having made the point that the full cooperation of the other management bureaus and offices is needed, the Chief offers the Secretary a means of awakening the other bureaus to their responsibilities in this way:

> To assist in calling to the attention of the chiefs of the bureaus and offices their responsibilities in this regard, and as a means of reminding them of the action they are required to take . . . enclosure (1) has been prepared for your approval and signature.[21]

The "enclosure (1)" referred to above, which was eventually signed by the Secretary on 3 January 1963, was a memorandum directed to the chiefs of all the management bureaus and offices. In the memorandum, the Secretary reminds the addressees that he had requested them, back in July 1962 "to review and approve procedures instituted by individual shore activities" under their management control.[22] After expressing concern that all of the activities in the Navy be adequately prepared and staffed for the program,

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[19] Ibid.

[20] Ibid.

[21] Ibid.

[22] Memorandum to chiefs of bureaus and offices from the Assistant Secretary of the Navy for Installations and Logistics, dated 3 January 1963, subject: "Department of the Navy Inventory of Military Real Property."

the Secretary concluded by saying "I will appreciate your advising me at the earliest opportunity, and before 1 February 1963, of the action you have taken in this respect."[23]

Some of the management bureaus were completely taken by surprise. One or two bureaus had so divorced themselves from the real property inventory program that they had some difficulty determining to which individual in the organization the Secretary's memorandum should be routed for action. The typical reaction of these individuals who were given the responsibility for taking action on the Secretary's memorandum was "I thought this was a Bureau of Yards and Docks problem."[24]

So many calls for help were received by the inventory personnel in the Bureau of Yards and Docks from the other bureaus asking what could be done that it was decided to formally supply the bureaus with a uniform set of activity procedures which each bureau could then forward to its field activities for adoption by them. Accordingly, on 15 January 1963, the Chief of the Bureau of Yards and Docks issued a notice to all management bureaus giving background as to the state of the real property inventory, pointing out some of the difficulties, and attaching a suggested set of procedures for use at the activity level. So that there might be some means of keeping aware of bureau action in the matter, the Notice closed by requesting that " . . . a copy of the action taken by the addressees pursuant to this Notice be furnished to the Bureau of Yards and Docks, concurrently with release to field

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[23] Ibid.

[24] Interview with Mr. Norm Barron, Head, Inventory Section, Bureau of Yards and Docks.

activities."[25]

Most, but not all, of the bureaus and offices responded to this request. Of those that responded, some indicated they had forwarded in toto both the Bureau of Yards and Docks Notice and the suggested procedures to their field activities. Others indicated having made some amendments before issuing their instructions.

There is no indication that any of the bureaus has actually gone to the extent of "reviewing and approving" inventory procedures instituted by any of the field activities as they were directed to do by the Secretary in his memorandum 3 July 1962 and again on 3 January 1963.

The current division of responsibilities with respect to inventory maintenance and accountability makes necessary a very roundabout procedure for attacking problems at the source. We have seen that the Chief of the Bureau of Yards and Docks considers the maintenance of an accurate and timely inventory to be his "full responsibility," and yet when it comes to effecting what he considers to be a required program of action at the activity level, he is forced to resort to appeals, suggestions, and help from the Secretary. On one occasion, in the hopes of inspiring the Field Engineering Officers to utilize their powers of pursuasion to the maximum, the Chief gave them an assignment that several previous Secretarial directives had failed to accomplish. The Chief told the Field Engineering Officers:

> "As . . . (the Secretary) . . . has delegated to the Chief of the Bureau of Yards and Docks the responsibility for technical direction of the program, a concurrent responsibility exists to insure that the physical triennial survey is taken in a timely fashion

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[25]Bureau of Yards and Docks Notice 11011 of 15 January 1963, subject: "Inventory of Military Real Property."

> so that the target date of 31 May is met. Accordingly, addressees (i.e., FEO's) are requested to direct special attention to the conduct of the triennial survey especially with regard to taking whatever action may be necessary to insure that reporting activities within their respective areas pursue the taking of the inventory in a timely and progressive fashion. (Underlines added.)[26]

The Field Engineering Officer is extremely limited in the action he can take with the individual commanding officers. The burdensome, time-consuming procedure involved in reaching the source level in the management bureau channel of responsibility has been described. There is strong probability that many things that need correcting stay as they are because the effort it takes to reach the source is too great, especially under circumstances where positive achievement of results is at best uncertain. The conclusion that can be reached is that the existing organization for the maintenance of the Navy Department real property inventory, involving three channels of responsibility, is complex and ineffective, and is directly responsible for the unsatisfactory state of the inventory.

Procedures

Organizational relationships form an essential part of any procedures system, but since these relationships have been considered above, the following discussion will be limited to an analysis of the source data documents (i.e., the property record cards), the procedures for the preparation of these cards at the activity level, and the time structure within which the system functions.

Property Record Cards

For the most part the property record cards as they now esist are satisfactory in form and content. In October 1962, the property record cards

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[26]Bureau of Yards and Docks Notice 11011 of 27 December 1962, subject: "Facility Triennial Inventory; procedures for progress reporting."

were reviewed and redesigned, resulting in a more simplified set of working documents. The number of card formats was reduced from eleven to eight. Each format, in turn, was designed as a two-part card, the top part being reserved for data to be put on the central inventory at Hueneme. This made possible the separation of two distinct types of facility information -- that which is necessary for central inventory purposes, and that which the local activity considers it "nice to have." The most significant feature of the new card design is the fact that the cards can be machine-prepared at Port Hueneme and distributed to all card holders. Whereas it was previously necessary for reporting activities to completely re-type property record cards every time a correction needed to be made, the change can now be made by simply striking out the data to be corrected, and inserting in pencil the corrected data. This has a great advantage over the old system whereby inadvertent errors were made in the act of typing out a whole card merely to make a correction to one item of data.

Preparation of Cards at the Activity Level

The preparation of the property record cards at the activity level is the most important phase of the entire inventory system. The final reports made by the automatic data processing machine at Port Hueneme, irrespective of the speed with which these reports can be printed, will be no more accurate than the accuracy of the data fed to the machine by the cards. Consequently, it is of the utmost importance that this phase of the operation be given the highest consideration.

Under the present system this situation does not prevail. A study of the Navy's inventory system made by the Navy Management Office, the results of which were reported in September 1961, revealed that "less than half of the

stations visited had procedures for insuring that the persons responsible for preparing and submitting property record cards were aware of changes in the use of property. Thus usage changes are not reflected in the inventory. Improper category codes are used in arriving at maintenance cost standards and errors occur in reporting property utilization."[27]

The assignment of category codes to facilities is often left to the clerk preparing record cards. These individuals usually do not have sufficient background and training to make the necessary engineering judgments required in making accurate assignment of codes. For the most part, they are clerical persons who have limited knowledge of the property involved and of the uses being made of the codes, and they do not always ask, or receive, the advice of professional engineering personnel when they are not sure which category code to use. When it is realized that this condition prevails Navy-wide, it is no wonder that managers "establish separate reporting systems in order to have information which they believe to be more accurate."[28]

On 19 December in a report to the Secretary on the progress being made in correcting the deficiencies found in the inventory system by the Navy Management Office, the Chief of the Bureau of Yards and Docks advised that as a result of conferences of all Field Engineering Office inventory personnel, a common agreement was reached that one of the most significant problems facing the Bureau in the efficient discharge of the inventory function, and one basic to the serious deficiencies found to exist in the system, "is the general lack

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[27]Report of Survey of Department of the Navy System for Inventory of Military Real Property, Navy Management Office, September 1961.

[28]Ibid.

of concerted effort and interest at the activity level. This is characterized by assignment of inventory responsibilities on a collateral basis with little or no supervision or management."[29]

The Area Public Works Officer, Chesapeake, one of the fifteen Field Engineering Officers, reported to the Bureau of Yards and Docks some significant findings resulting from a review of the facilities inventory procedures and functions at all activities within his area. Only four of the activities had been visited, but the Area Public Works Officer decided the Bureau should be apprised of the situation prior to completion of the survey because the findings so far were so negative. In the order of activities visited, these are the results of the review:

> 1. Since January 1958, at which time the initial indoctrination program was given by the Area Public Works Officer, there have been four different incumbents in the plant account billet of one activity. During this time, at the same activity, the position of plant account responsibility was abolished and was not reinstated for approximately one year. The original position was classified as GS-5 and it was learned that the position today has been downgraded to GS-3, Accounts Maintenance Clerk. At this same activity the reviewer's report indicates certain lack of interest and cooperation between the Design, Planning and Financial groups.
>
> 2. During the review of another activity it was discovered that very few of the existing cards which are to be re-reported had been corrected to show the new category codes. The plant account incumbent, as GS-4 clerk typist, stated that practically no changes have been made to the property record cards in the past four months. Also, annual rental amounts on the Family Housing Detail cards were not changed to reflect an increase in rental rates, as required by current instructions. The present incumbent at this activity had not had any actual plant account training similar to the type of instruction given by the Area Public Works Officer during the 1958 inventory.

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[29]Chief of the Bureau of Yards and Docks Memorandum to the Secretary of the Navy of 19 December 1962, op. cit.

3. Still at another activity which received our review we found that a plant account position as such does not exist. The functions were performed by various personnel in the Public Works Office whenever time permitted. (Underlines added.)

4. At still another activity it was discovered by a cursory review of the cards that approximately forty-five cards required immediate changing. It was found that at this location the functions of plant account were being performed by a construction representative. A position for the plant account responsibility does not exist. Further, the report for this activity stated that the reviewer had found there is a lack of interest in the importance of the plant account program.

5. The comments appearing above are the significant findings of a study of only four out of a possible twenty-one activities in the Potomac and Severn River Naval Command.[30]

The letter concluded by saying the Area Public Works Officer intended to continue the survey and to report all significant findings to the Bureau of Yards and Docks "for further decision or action, as appropriate." What further action could the Bureau take? Under the present system, we've seen what courses of action are open to him in the analysis of organizational relationships discussed in the first part of this section. This system is slow, cumbersome, and ineffective. If the Chief of the Bureau of Yards and Docks is to be responsible for providing a timely, responsive, accurate inventory of the Navy's military real property, then he must be given a better means of correcting the deficiencies as they come to his attention.

Time Flow of Inventory Transactions

The time that elapses from the instant that a change in the physical facilities at an activity is observed to the moment this change is recorded on the central inventory record at Port Hueneme, can sometimes be critical.

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[30]Area Public Works Officer letter to the Chief, Bureau of Yards and Docks, A-500 MW, dated 16 February 1962, subject; "Facilities Inventory Procedures and Functions at all PRNC and SRNC activities; review of.

Especially is this so now that the Bureau of Yards and Docks has been assigned the sole responsibility for the maintenance and operations of facilities (with certain exceptions) of the entire Navy shore establishment (excluding Marine Corps facilities). To discharge this new responsibility successfully, the Chief of the Bureau of Yards and Docks has developed a management oriented budget and information system designed to provide maximum integration of the various bureau programs through the use of automatic data processing equipment. One aspect of this integration is the electronic comparison of the inventory of facilities at an activity with the previously developed standards, in terms of dollars, for the maintenance and operation of those facilities.

By means of this electronic comparison, a maintenance budget will be developed for that activity. Furthermore, these electronic comparisons will be made at monthly intervals (or more frequently) for the purpose of developing management reports for use in the appraisal and review of the budget preparation and execution process.

Under the most favorable of circumstances, the insertion into the records of change data or new facilities can take as much as forty-five days. It can readily be seen that if management reports, including budget formulation information, happens to be in process during the forty-five day period that significant facilities information is in the system on its way to being registered on the central file, these reports and budgets will be in error for that particular activity, or activities.

With respect to responsive timing of inventory information, the Housing Management Program of the Bureau of Yards and Docks presents a particularly difficult problem. Housing management reports are required to be made up monthly for further reporting to the Secretary of the Navy and the Secretary of Defense. The Housing divisions at both the Field Engineering level and the

Bureau of Yards and Docks level receive the data for their reports directly from the commanding officers of the activities where housing is located. Consequently, the data on the reports prepared by housing personnel does not always agree with the official inventory because the housing data submitted by the activity via the housing management reports is more up to date -- the inventory data has to take the fifteen to forty-five day route.

Since the housing programs of all three services are receiving intensive analysis and direction from the Secretary of Defense level, those responsible for housing in the Bureau of Yards and Docks are concerned that their reports reflect the best information available to them. This has resulted in the housing division maintaining a ledger of inventory-type information on family housing which it extracts from the management reports it receives. Thus there are in effect two housing inventories out of which different sets of figures are published on Navy family housing, creating confusion and embarrassment. Part of the problem is that the monthly housing management reports received directly from the commanding officers will always have more current information than can be expected of the inventory, under existing conditions.

A single source of inventory information should be the rule not only for the housing program but for all of the Bureau of Yards and Docks programs. Therefore, some action must be taken to expedite the flow of inventory transactions to the central file at Port Hueneme. The reason for the requirement of one submission of inventory transactions per month is because the Navy Comptroller, exercising his responsibility in the fiscal aspect of the inventory process, has determined that there shall be reconciliation of accounts between the central file at Port Hueneme and the records of the Navy Regional Accounts Offices. In a recent broad study of the responsibilities of the

Chief of the Bureau of Yards and Docks as custodian of class I and class II property, this observation was made:

> The question has arisen as to whether or not it is necessary for the Navy Comptroller to exercise any control over the financial procedures involved in maintaining the inventory, or whether the Bureau of Yards and Docks should assume full accountable responsibility. In the interest of developing maximum responsiveness in the inventory system, the committee recommends this question be given fuller study.[31]

Summary

The present organization for the inventory of military real property in the Department of the Navy is characterized by three separate channels of responsibility. The chiefs of the management bureaus and offices (including the Commandant of the Marine Corps) have been assigned responsibility, within their respective management areas, for appropriate coordination, installation, and maintenance of the real property inventory as prescribed; the Comptroller of the Navy has been assigned responsibility for financial policy and for development of accounting systems, financial procedures, and reports; and the Chief of the Bureau of Yards and Docks has been assigned responsibility for technical direction of the program, and for coordination, promulgation, and maintenance of policy and procedures necessary for complete implementation.

In spite of the express delegations of responsibility to the other two organizational elements, the Chief of the Bureau of Yards and Docks has taken the position that the ultimate responsibility for an accurate, timely, responsive inventory rests with him. However, because of these same express

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[31] Report of Budocks Task Group -- Position Paper on Responsibilities of the Bureau of Yards and Docks as Custodian of Class I and II Property, dated 18 March 1963, Department of the Navy, Bureau of Yards and Docks, Washington, D. C.

delegations of responsibilities, the Bureau of Yards and Docks has found it difficult, first of all, to locate deficiencies in the system; and secondly, when located, to take effective corrective action. Because of command relationships that must be observed, and because of responsibilities that have been specifically delegated to others, the Chief of the Bureau of Yards and Docks has found it necessary to resort to pleading, exhorting, suggesting, and recommending -- without being able to take direct action; except, of course, within his own channel of responsibility.

As a result, serious inaccuracies have developed in the inventory. Other program managers, not satisfied with the responsiveness and timeliness of the inventory, and suspicious of the data it contains because of previous experience with its inaccuracies, have resorted to maintaining inventory data of their own. Consequently, reports to higher authority frequently conflict with one another in terms of the statement of the status of the real property inventory, causing confusion and embarrassment.

In view of the recent acquisition by the Chief of the Bureau of Yards and Docks of full responsibility (with certain exceptions) for the maintenance and operations of the entire shore establishment (excluding Marine Corps Facilities), and because of the requirement that other program managers rely on the official real property inventory as the basis for planning, budgeting, and execution, the need exists for a system of maintaining the real property inventory of the Navy that is timely, accurate, and responsive.

CHAPTER III

TOWARD A MORE RESPONSIVE FACILITIES INVENTORY SYSTEM

The previous two chapters brought out the need for a responsive facilities inventory and highlighted the deficiencies in the existing organizational and procedural systems. In this chapter, proposals will be made for improving both organizational relationships and procedures -- necessary pre-requisites to the maintenance of an accurate, timely, responsive facilities inventory.

Organizational Relationships

In chapter II the conclusion was reached that the existing tri-channel system of responsibility for the maintenance of the inventory system is awkward and inefficient and, in fact, is primarily responsible for the serious inaccuracies and deficiencies found in the inventory. It was also determined that the Chief of the Bureau of Yards and Docks considers himself responsible, de facto, for the final outcome of the inventory. At the same time, he does not have direct control over some of the steps in the inventory process, the most critical of these being the conduct of the inventory function at the reporting activity -- or source data -- level. This combination of circumstances, in their mere statement as the problem, suggests the solution.

To manage is to control and direct. If the Secretary of the Navy would have an accurate, timely and responsive inventory, then he should assign

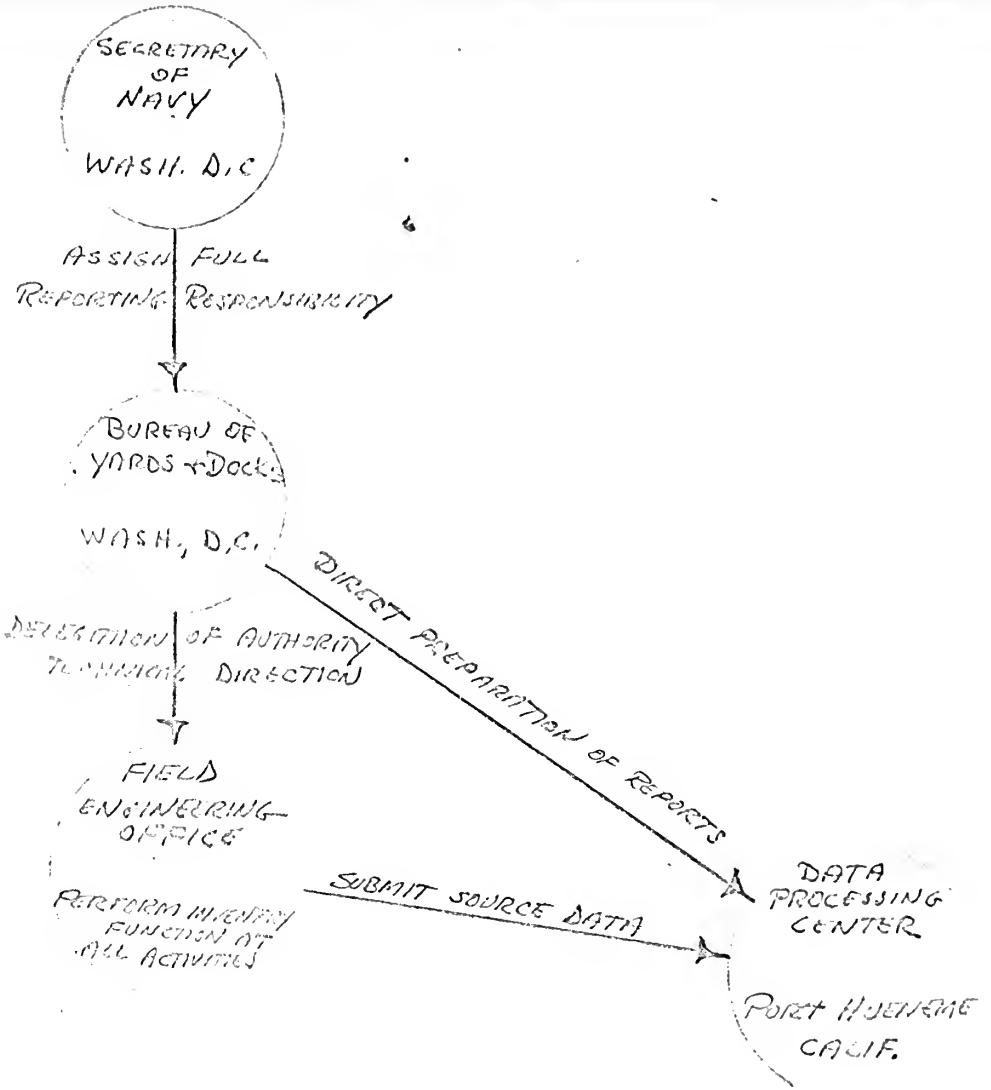
full responsibility for the maintenance of the real property inventory system to the Chief of the Bureau of Yards and Docks, and hold him ultimately accountable for the inventory. This would mean the elimination of the management bureau and Navy Comptroller channels of responsibility. Let us see how this would work and what would be the consequences of such a move.

Elimination of Management Bureau Channel

The implication in this move is to make the Chief of the Bureau of Yards and Docks, and through him the Field Engineering Officers under his direct command, responsible for the direct performance of the inventory function at the activity level. This would also mean that the commanding officer would have nothing to do with the inventory function except, of course, to be interested in the results. Chart IV depicts this new organizational arrangement. It can be seen that a serious source of conflict and uncertainty has been eliminated. The Chief of the Bureau of Yards and Docks now has direct control over the personnel and procedures in the conduct of the inventory program. Immediate and direct action can be taken to eliminate a source of difficulty or to correct deficiency either in regard to personnel or procedures.

To accomplish this, the Field Engineering Officers would need to be adequately staffed to provide sufficient coverage of the activities within their areas of jurisdiction. Funds and personnel ceiling would need to be provided to the Field Engineering Offices to carry out this function, but these can be made available from appropriate transfer of funds and ceiling from the other management bureaus which have had to budget for this function in the past.

This proposal, aside from insuring greater accuracy, timeliness, and responsiveness, will offer a measure of economy because there would not need



PROPOSED ORGANIZATION

CHART IV

to be a transfer to the Bureau of Yards and Docks of all the personnel from the other bureaus now engaged in the inventory function. At large complexes, as many personnel as necessary could be assigned by the Field Engineering Officer, on the same basis that he now assigns resident officers in charge of construction for contract administration; that is, the inventory staff personnel would act as his personal representatives. Some activities would not warrant the full time employment of an individual on inventory matters. In these cases, one individual could be assigned several activities.

A survey of the Area Public Works Office, Chesapeake area was made to determine the effects of this proposal. In this area, there are thirty-six reporting activities. These activities can be conveniently grouped into sixteen complexes. Presumably, under the existing organizational system for reporting real property inventory, there is someone at each of these activities responsible for the maintenance of the inventory -- that is, there should be someone who has primary responsibility for this function. Therefore, there must be a total of at least thirty-six people, some full time, some part time, engaged in the inventory program. These personnel make their reports to the Area Public Works Officer, in the name of the commanding officer. The Area Public Works Officer has no control over the organization, procedures, or staffing. Nor can the Area Public Works Officer exercise direct control to insure adequacy of staffing or to insure against assignment of collateral responsibilities with higher priority, to the detriment of the inventory.

Under the proposed system, based on a recent analysis,[1] it is estimated that the real property inventory of the activities within the Chesapeake

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[1]The author, while attached to the Bureau of Yards and Docks during 1962, participated in an analysis of the distribution of the reporting activities in the Chesapeake area for a purpose related to the subject of this thesis.

area can be maintained by six real property administrators and about three full time clerk typists. It is believed that analysis of the other districts will show similar results, thus aggrating significant savings in terms of personnel.

Aside from monetary savings which, for the purpose of this study, is secondary, there are other important advantages to the proposed system. The single-channel organization will provide for uniformity in caliber of personnel. The chief of the Bureau of Yards and Docks will be in a position to prescribe what type personnel is required, what experience he should have, how much training he should undergo, and what assignments he should be given.

The new organization will provide for uniformity in procedures. No longer will there be 1100 reporting activities each operating under a different set of instruction and procedures, if operating at all, although provided with guidelines, recommendations and suggestions from the Bureau of Yards and Docks. Under the proposed system, the Chief of the Bureau of Yards and Docks can direct his Field Engineering Offices to follow certain prescribed procedures with the reasonable certainty that there will be compliance. At least he will have recourse to direct corrective action if the procedures are not followed.

Further, the proposed system will provide for uniformity in the interpretation of codes. As was pointed out, each management bureau is capable of interpreting the facility category codes in a manner that best suits their purposes. Where there is disagreement, if the difficulty cannot be resolved between the Field Engineering Officer and the commanding officer then the matter must be sent to Washington where the Chief of the Bureau of Yards and Docks, although he has final say in the matter of code interpretation, usually must coordinate with the management bureau concerned. However,

the difficulty is that many of the disagreements do not reach the Washington level but are resolved by a compromise of the codes, a practice which has resulted in a wide variation of code interpretation. Under the proposed system, any confrontation between the Field Engineering Officer and the commanding officer is avoided.

Another advantage the proposed system offers is to provide maximum reliability of the data fed into the system because the Field Engineering Officer himself, acting through his staff, will have direct control over what is done and who does it. Action can be taken to shift personnel from one activity to another or from one complex to another as backlogs develop, or when any other difficulty arises requiring concentration of resources and effort for a short time. This flexibility, non-existent now, will be possible under the proposed system.

Elimination of Navy Comptroller Channel

The influence of the Navy Comptroller in the existing inventory system manifests itself in the form of a requirement for the reconciliation of accounts between the reporting activity, the Navy Regional Finance Offices, and Port Hueneme Data Processing Center.

The Navy Management Office, in the report of its study of the Navy Real Property inventory system, in discussing the problem of reconciliation, observed that "the precise requirement for a reconciliation is difficult to evaluate. Since it is turning up some imbalances that require adjustment of the existing records, it does seem to be serving a useful purpose."[2] The question that arises is, does the importance of reconciliation outweigh the

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[2]Navy Management Office study, Sept. 1961, op. cit.

need for more timely inventory information? The observation made by the Bureau of Yards and Docks task group which studied the responsibilities of the Bureau of Yards and Docks as custodian of class I and class II property is worth repeating in full at this time:

> Although Budocks has full responsibility for establishing procedures for reporting, these procedures must be compatible with the framework of controls established by NAVCOMPT. These controls are imposed to insure that the cost accumulations made by the fiscal offices are in agreement with the total cost balance shown on the Hueneme inventory card. The reason for this is that NAVCOMPT transmits the reports to OASD (Compt) and OASD (I&L), in the name of SECNAV, reports which he is required to submit annually by DOD Inst. 4164.14 of 20 Feb. 1958. The reports so transmitted, however, are taken directly from the inventory record established at CBC Hueneme, according to procedures established by Budocks and concurred in by NAVCOMPT.
>
> a. The question has arisen as to whether or not it is necessary for NAVCOMPT to exercise any control over the financial procedures involved in maintaining the inventory, or whether budocks should assume full accountable responsibility. In the interest of developing maximum responsiveness in the inventory system, the committee recommends this question be given fuller study.[3]

Procedures

If the Navy Comptroller channel is eliminated, and that the Chief of the Bureau of Yards and Docks is given "full accountable responsibility," what does this mean? In the first place, the restriction that ties the reporting activity down to one submission per month is removed because the only reason this restriction exists is to permit reconciliation of accounts with the Navy Regional Finance Offices, a Navy Comptroller requirement. With this restriction removed, submissions can be made as often as necessary. And since the actual inventory function at the activity level will be performed by the staff of the Field Engineering Office, that phase of the present system

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[3]Report of BUDOCKS Task Group, 18 March, 1963, op. cit.

that requires review of the cards by the Field Engineering Office can be eliminated or drastically reduced. The result is an almost direct line of communication between the data-source at the activity level and the central file at Port Hueneme, with maximum reliability in data accuracy.

Under this proposed system, the door is opened to greater and more effective use of electronic machines. If all Field Engineering Offices could be equipped with flexowriters, the need for transmitting property record cards through the system could be questioned. For example, as the Field Engineering Office staff men become aware of changes to facilities at the activities assigned them, a flexowriter change tape could be prepared at the Field Engineering Office and this tape sent to Hueneme for up-dating the central file. At the same time, the Field Engineering Office would have in its file a complete record -- on tape -- of all the facilities in his area. Thus, not only would every significant change be recorded as it happens, but the Field Engineering Office would be equipped to prepare reports of his own on the facilities in his area without having to resort to the central file at Hueneme.

Summary

From the very beginning the Navy Department has been interested in maintaining some kind of an inventory of the military real property under its cognizance. These records were, at first, quite simple and for the most part were dependent on the personal knowledge of long time employees at each of the naval activities. As the complexity of the shore facilities grew with the increasing complexity of naval warfare, the need for a more responsive, accurate and timely inventory became more evident. Indeed, the need for a fully responsive inventory has been made paramount with the introduction, by the Secretary of Defense, of the new programming, budgeting, and appraisal system.

The existing system for maintaining the inventory of facilities in the Navy is not adequate to meet the requirements of the new programming concepts in terms of responsiveness and accuracy. The present organization is characterized by three separate channels of responsibility. The Chiefs of each of the management bureaus have been assigned certain responsibilities for installation and maintenance of the system within their respective areas; the Chief of the Bureau of Yards and Docks has been assigned responsibility for technical direction of the program; and the Navy Comptroller has been assigned responsibility for financial policy and for development of accounting systems, financial procedures, and reports.

Although the three separate channels of responsibility have been expressly created and do exist, the Chief of the Bureau of Yards and Docks has taken the position that the ultimate responsibility for an accurate, timely, responsive inventory rests with him. However, he is hampered in taking the necessary direct action required to correct deficiencies and remove obstacles by virtue of the existence of the other two channels. Consequently, when deficiencies are uncovered, and these are not located in his own channel of responsibility, the Chief of the Bureau of Yards and Docks must resort to pleading, exhorting, suggesting, and recommending. As a result, serious inaccuracies have developed in the inventory, inaccuracies which can be traced to inadequate procedures, staffing, and emphasis both at the activity level and the management bureau level.

In order to insure that all possible direct action is taken to provide for a reliable inventory system, the full responsibility, together with necessary resources, for the maintenance of the real property inventory should be assigned to the Chief of the Bureau of Yards and Docks, and the management bureau and Navy Comptroller channels of responsibility should be eliminated.

In this way, not only will several steps in the inventory process be eliminated or drastically reduced, but the responsibility at each remaining step of the way will be linked with a single authority.

APPENDICES

IVITY *(Official Name)*	2. COMMAND	3. OLD ACT. CODE	4. BUREAU CODE MGMT. / FIN.	5. DIST.	6. CURRENT ACT. CODE
YITY *(Index Name) (For CBC use only)*	8. LOCATION OF ACTIVITY *(Physical)* *(City)* *(County)* *(State/Country)*				9. ACCOUNTING NO.
HER COUNTIES AND/OR STATES IN WHICH LOCATED	11. LOCATION OF ACTIVITY *(If different than block 8)*				12. STATE/FOREIGN CODE
AREST CITY *(Distance/Direction FROM Activity)*	14. PRINCIPAL FUNCTION/PRODUCT	CODE	15. NO. OF RUNWAYS		16. CO/CTRY CODE
TE INITIALLY OCCUPIED *(Mo. & Yr.)*	18. NAME OF CONTRACTOR/OPERATOR	19. REASON FOR ACQUISITION, DISPOSITION OR CHANGE ACTION			20. CITY CODE
OST NAVAL ACTIVITY NAME	22. LOCATION OF HOST ACTIVITY *(City)* *(County)* *(State/Country)*				23. HOST ACT. CODE

NANT OF

AVY ☐ ARMY ☐ AIR FORCE ☐ GSA ☐ POST OFFICE ☐ OTHER *(Specify)* _____

25. REPORTING CL. 1 OR 2 PROPERTY ☐ NO ☐ YES

MPONENTS/TENANTS (A)	27. NONCONTIGUOUS AREAS (N)	28. TYPE OF ACTIVITY		
			ACTIVE	INACTIVE
		IND.	GOV'T OPER. 1 ☐ / CONT. OPER. 2 ☐	3 ☐
		NON-IND.	4 ☐	5 ☐

29. STATUS OF ACTIVITY P ☐ PERMANENT T ☐ TEMPORARY

30. DATE OF CARD *(Mo. & Yr.)*

31. FOR C8C USE ONLY

NMP	MAJ. ACT.	IND.	SEQUENCE NO.

ITY GENERAL INFORMATION— NAVCOMPT FORM 263 (3 PT) (REV. 5-62) UPPER

PPENDIX I

ITY GENERAL INFORMATION—NAVCOMPT FORM 263 (3 PT) (REV. 5-62) LOWER

* U.S. GOVERNMENT PRINTING OFFICE . 1962 OF—647538

TIVITY	2. ACCTG. NO.	3. TOTAL COST $	4. DIST.	5. ACTIVITY CODE	6. N/A	7. CARD NO.

Y	9. CITY CODE	10. COUNTY	11. CO. CODE	12. STATE/COUNTRY	13. STATE CODE	14. N/A

OMPONENT/TENANT	CODE	16. NONCONTIGUOUS AREA	CODE	17. MGMT. BUR.	CODE	18. FIN. BUR.	CODE	19. PRC. DATE MO.—YR.

AVY DESCRIPTION	21. NAVY CODE	22. ACREAGE				
		GROUNDS			(d) OTHER LAND	(e) TOTAL (a, b, c, & d)
		IMPROVED		(c) SEMI-IMPROVED/ UNIMPROVED		
		(a) LAWNS DEC.	(b) OTHER DEC.	DEC.	DEC.	DEC.

ACRES NOT USED					24. TYPE OF ACTION
USABLE DEC.	(b) NOT USABLE DEC.				1. ACQ. ☐
					2. CAP. IMPRV. ☐
					3. CORR. ☐
ACQUISITION DATA			26. DISPOSITION DATA		4. DISP. ☐
YR.	METHOD	CODE	MO.—YR.	METHOD	CODE
					27. ADP.

ANENT LAND INTEREST *(Class I)* NAVCOMPT FORM 264 (4 PT) (REV. 5-62) UPPER

Y	ACCTG. NO.	TOTAL COST $	DIST.	ACTIVITY CODE	N/A	CARD NO.

	29.	30.
	32.	33.
	35.	36.

MARKS

ANENT LAND INTEREST *(Class I)* NAVCOMPT FORM 264 (4 PT) (REV. 5-62) LOWER

* U. S. GOVERNMENT PRINTING OFFICE : 1962 OF—647537

ACTIVITY	2. ACCTG NO.	3. TOTAL COST $	4. DIST.	5. ACTIVITY CODE	6. N/A	7. CARD NO.	SUF-FIX

CITY	9. CITY CODE	10. COUNTY	11. CO. CODE	12. STATE/COUNTRY	13. ST. CODE	14. LAND OWNERSHIP OWNED [1]	OTHER [2]	CAT. CODE

COMPONENT/TENANT	CODE	16. NON CONTIGUOUS AREA	CODE	17. MGMT BUR.	CODE	18. FIN. BUR.	CODE	19. PRC DATE MO	YR

TYPE OF CONSTRUCTION M [ ]	SEMI [S]	TEMP [T]	21. CONDITION USABLE [U]	NOT USABLE [N]	22. PRIME CONTRACT NO.	23. UTILIZATION IN USE [1]	NOT IN USE [2]	24. YR. BUILT

NAVY DESCRIPTION	26. NAVY CODE	27. OTHER MEASURE QUANTITY	DEC	SYM	28. CAPACITY QUANTITY	DEC	SYM	29. COST (Dollars)	30. TYPE OF ACTION
									1. ACQ [ ] 2. CAP IMPRV [ ] 3. CORR [ ] 4. DISP [ ]
									31. ADP #

ACQUISITION DATA MO - YR	METHOD	CODE	33. DISPOSITION DATA MO - YR	METHOD	CODE

UTILITIES *(Class II)* TELEPHONE, ELECTRIC, HEAT/STEAM and WATER NAVCOMPT FORM 266 (4PT) (REV. 5-62) UPPER

ACTIVITY	ACCTG. NO.	TOTAL COST $	DIST.	ACTIVITY CODE	N/A	CARD NO.

	35.	36.
	38.	39.
	41.	42.

REMARKS

UTILITIES *(Class II)* TELEPHONE, ELECTRIC, HEAT/STEAM and WATER NAVCOMPT FORM 266 (4PT) (REV. 5-62) LOWER

TIVITY	2. ACCTG NO.	3. TOTAL COST $	4. DIST.	5. ACTIVITY CODE	6. STRUCTURE NO.	7. CARD NO.

'Y	9. CITY CODE	10. COUNTY	11. CO. CODE	12. STATE/COUNTRY	13. ST. CODE	14. LAND OWNERSHIP: OWNED [1] OTHER [2]	CAT. CODE

OMPONENT/TENANT	CODE	16. NONCONTIGUOUS AREA	CODE	17. MGMT BUR.	CODE	18. FIN. BUR.	CODE	19. PRC DATE MO YR

YPE OF CONSTRUCTION: SEMI [S] TEMP [T]	21. CONDITION: (Usable) [U] [T] [R] [C] (Not Usable) [N]	22. PRIME CONTRACT NO.	23. MAP GRID #	24. YR. BUILT

TRUCTURE TITLE (Local Description)	26. UTILIZATION: IN USE [1] NOT IN USE [2]	27. DIMENSIONS (in Feet) (A) LENGTH	(B) WIDTH/DIAMETER	(C) HT.	(D) IRREG. YES	28. MATERIAL CODES (A) FOUND PAVED AREA	(B) SUPER-STRUCTURE	(C) ROOF

AVY DESCRIPTION	30. NAVY CODE	31. AREA MEASURE QUANTITY	DEC	SYM	32. OTHER MEASURE QUANTITY	DEC	SYM	33. CAPACITY QUANTITY	DEC	SYM	34. TYPE OF ACTION
											1. ACQ [ ] 2. CAP. IMPRV. [ ] 3. CORR [ ] 4. DISP [ ]

ACQUISITION DATA: YR	METHOD	CODE	36. DISPOSITION DATA: MO - YR	METHOD	CODE	37. ADP #

UCTURES and MISC. UTILITIES *(Class II)* NAVCOMPT FORM 267 (4 PT) (REV. 5-62) UPPER

VITY	ACCTG. NO.	TOTAL COST $	DIST.	ACTIVITY CODE	STRUCTURE NO.	CARD NO.

	39.	40.
	42.	43.
	45.	46.

EMARKS

UCTURES and MISC. UTILITIES *(Class II)* NAVCOMPT FORM 267 (4 PT) (REV. 5-62) LOWER

ACTIVITY	2. ACCTG NO.	3. N/A	4. DIST	5. ACTIVITY CODE	6. BLDG./ STRUCT. #	7. CARD NO. SUF-FIX

CITY	9. CITY CODE	10. COUNTY	11. CO CODE	12. STATE/COUNTRY	13. ST. CODE	14. PART OF NAVAL ACTIVITY?
						☐ YES ☐ NO

TYPE OF CONSTRUCTION	16. OWNERSHIP CODE	17. MGMT. BUR. CODE	18. FIN. BUR. CODE	19. PRC DATE MO.-YR.
A. ☐ SEMI S ☐ TEMP T ☐	OWNED 1 ☐ LEASED 2 ☐ OTHER 3 ☐			

TEMPORARY OUTGRANT DATA

32. TYPE OF ACTION

NAVY DESCRIPTION	21. NAVY CODE	22. NAV-COMPT FORM #	23. AREA MEASURE QUANTITY	DEC	SYM	24. OTHER MEASURE QUANTITY	DEC	SYM	25. CAPACITY QUANTITY	DEC	SYM

OUTGRANTED TO	CODE	27. TERM MOS.-DAYS-YRS.	28. USE	29. RENT REC'D	(E)	30. CONTRACT NO.	CODE	31. RELEASE DATE MO.-DAY-YR.

1. ACQ ☐
2. N/A ☐
3. CORR. ☐
4. DISP ☐

33. ADP #

TEMPORARY OUTGRANT *(Class I or II)* NAVCOMPT FORM 269 (4 PT) (REV. 5-62) UPPER

ACTIVITY	ACCTG NO.	N/A	DIST	ACTIVITY CODE	BLDG/STR. NO.	CARD NO.	SUF-FIX

	35.	36.
	38.	39.
	41.	42.

REMARKS

NOTE: ENTER AN "E" IN BLOCK 29 (E) IF RENT RECEIVED IS AN ESTIMATE.

TEMPORARY OUTGRANT *(Class I or II)* NAVCOMPT FORM 269 (4 PT) (REV. 5-62) LOWER

TIVITY	2. ACCTG NO.	3. TOTAL COST $	4. DIST.	5. ACTIVITY CODE	6. BLDG. NO.	7. CARD NO.	SUF-FIX

TY	9. CITY CODE	10. COUNTY	11. CO CODE	12. STATE/COUNTRY	13. ST. CODE	14. LAND OWNERSHIP CAT. CODE
						OWNED 1 OTHER 2

ROJECT NAME	16. OWNERSHIP CODE	17. MGMT BUR CODE	18. FIN. BUR. CODE	19. PRC DATE MO - YR
	OWNED 1 LEASED 2 OTHER 3			

YPE OF CONSTRUCTION	21. CONSTRUCTION	22. PRIME CONTRACT NO.	23. BLDG TYPE	24. YR. BUILT
SEMI S TEMP T	MASONRY 1 FRAME 2 STUCCO 3 OTHER 4			

TILIZATION	26. NAVY DESCRIPTION	27. NAVY CODE	28. TOTALLY INADE-QUATE	29. NO. OF UNITS	30. NO. OF STORIES	31. LOCATION	32. LEASED COST $	33. OTHER THAN ACQ. COST $
NOT IN USE 2			YES			ON A OFF B		

FAMILY UNIT INFORMATION *(List each unit separately)*

UNIT ID. NO.	35. NET AREA (Sq. Ft.)	36. GROSS AREA (Sq. Ft.)	37. BED RMS	38. BATHROOMS FULL	38. BATHROOMS HALF	39. PORCH	40. CAR STORG. SPACE	41. EQUIPMENT ITEMS	42. STORAGE SPACE (Cu. Ft.)	43. QUARTERS ADE-QUATE	43. QUARTERS IN-ADEQUATE	44. BASEMENT MARK IF YES ☒

45. TYPE OF ACTION
1. ACQ
2. CAP IMPRV
3. CORR
4. DISP

46. ADP #

AILY HOUSING DETAIL *(Class II)* NAVCOMPT FORM 277A (4 PT) (REV. 5-62) UPPER *(Attach to Corresponding BUILDING CARD)* _____

CVITY	ACCTG. NO.	TOTAL COST $	DIST.	ACTIVITY CODE	BLDG. NO.	CARD NO.	SUF-FIX

	48.	49.
	51.	52.
	54.	55.

EMARKS

AILY HOUSING DETAIL *(Class II)* NAVCOMPT FORM 277A (4 PT) (REV. 5-62) LOWER *(Attach to Corresponding BUILDING CARD)*

TIVITY	2. ACCTG NO.	3. TOTAL COST $	4. DIST.	5. ACTIVITY CODE	6. BLDG. NO.	7. CARD NO.

Y	9. CITY CODE	10. COUNTY	11. CO. CODE	12. STATE/COUNTRY	13. ST. CODE	14. LAND OWNERSHIP OWNED 1	OTHER 2	CAT. CODE

OMPONENT/TENANT	CODE	16. NONCONTIGUOUS AREA	CODE	17. MGMT BUR.	CODE	18. FIN. BUR.	CODE	19. PRC DATE MO YR

PE OF CONSTRUCTION	SEMI S	TEMP T	21. CONDITION (Usable) U T R C	(Not Usable) N	22. PRIME CONTRACT NO.	23. MAP GRID #	24. YR. BUILT

ILDING TITLE (Local description)	26. VOLUME CU. FT.	27. DIMENSIONS (a) LENGTH	(b) WOTH	(c) HT.	(d) NO. OF STORIES	(e) IRREG. YES	28. MATERIAL CODES (a) FOUND.	(b) EXTER.	(c) ROOF

IE	29. NAVY DESCRIPTION	30. NAVY CODE	31. AREA SQUARE FT. (Gross)	32. VACANT (Square Ft.)	33. OTHER MEASURE QUANTITY	SYM	34. CAPACITY QUANTITY	SYM	35. TYPE OF ACTION
I.									1. ACQ
C.									2. CAP. IMPRV.
R.									3. CORR
HER									4. DISP

ACQUISITION DATA			37. DISPOSITION DATA			38. ADP #
YR.	METHOD	CODE	MO. - YR.	METHOD	CODE	

DINGS *(Class II)* NAVCOMPT FORM 277 (4 PT.) (REV. 5-62) UPPER

TITY	ACCTG. NO.	TOTAL COST $	DIST.	ACTIVITY CODE	BLDG. NO.	CARD NO.

FLOORS →	BASEMENT	FIRST FLR	SECOND FLR	THIRD FLR	FOURTH FLR	FIFTH FLR	SIXTH FLR
VE LOAD (lbs. per sq. ft.)							
OOR MATERIAL CODE							
. FT. FLOOR AREA							

HEATING SYSTEM FUEL	TYPE	(b) ELECTRICAL CURRENT VOLTS	PHASES	CYCLES	(c) HOT WATER FUEL	STORAGE CAP. (gals)

CRANES NO. OF	IDENTIFICATION NO.	TON CAPACITY	(e) ELEVATORS NO. OF	IDENTIFICATION NO.	TON CAPACITY	(f) SPRINKLER SYSTEM YES	NO	(g) TELEPHONE SYSTEM YES	NO

	42.	43.
	45.	46.

EMARKS

IDINGS *(Class II)* NAVCOMPT FORM 277 (4 PT.) (REV. 5-62) LOWER

APPENDIX II

Questionnaire Relating To Real

Property Inventory

1. What are some reasons why property record cards should go through the DPWO rather than directly to Port Hueneme.

2. (a) Do you think the number of property record card forms is sufficient. Are there too many different forms; too few.

   (b) What is your feeling as to the adequacy of the information on the cards (not in detail, but do you feel that more study is needed as to card content).

3. (a) Under the existing organizational relationships, what additional staffing, if any, do you think you would need to do all that you think is required to be done in order to insure a timely, adequate inventory.

   (b) To what extent has your staff been able to follow the functions set out in the guideline position descriptions issued by the Bureau.

4. (a) Do you believe that the activities in your area are performing the inventory satisfactorily in all respects.

   (b) If not, what are some of the reasons why they are falling short.

   (c) In particular, where activities have a high transient density (that is, where independent activities are moving in and out), do you find that problems exist.

5. Other than what has already been published by the Bureau, what are some of the actions you think the commanding officers should take to improve the inventory function at their activities.

6. In the spirit of just trying to "get along," or because you don't think it would do any good anyway to try to bring the matter to a head, do you find it best to accept less than the best the commanding officer is capable of performing, as long as he has some sort of organization and procedures. Or do you find it profitable to push the issue with the commanding officer when you think he can do better, even to the point of reaching a confrontation between the DPWO and the commanding officer.

7. As a result of last year's Budocks and SecNav memoranda to the management bureaus, emphasizing the importance of the inventory, have you noticed any appreciable change in the adequacy or sufficiency of staffing and procedures at the activity level.

8. As a radical step, what do you think of the idea of putting the entire responsibility for conducting the inventory on the DPWO. That is, take the commanding officer completely out of the picture, and staff the DPWO so that he can go out in the field and maintain the inventory (this assumes some staff members located permanently at large complexes). What advantages do you see in this idea? What disadvantage?

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